INFORMATION RELEASE

APRIL 6, 2000

MINISTRY OF FINANCE AND CORPORATE RELATIONS

COMPENSATION AND NEW SERVICE COSTS IN THE BRITISH COLUMBIA PUBLIC SECTOR AND PUBLIC SERVICE

(Negotiated for 1998/1999 to 2000/2001)

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COMPENSATION AND NEW SERVICE COSTS IN THE BRITISH COLUMBIA PUBLIC SECTOR AND PUBLIC SERVICE
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Introduction

This release provides summary information on compensation and new service costs in the British Columbia public service and the broader public sector over the period 1998/1999 to 2000/20001. The public service includes employees directly employed by government ministries and agencies. The broader public sector includes employees of government funded services such as schools, post-secondary institutions, hospitals, and community health and community social services agencies.

This analysis reports the incremental funding provided to ministries to address the costs arising out of government negotiated settlements, including:

Compensation Increases	-	wage and benefit increases, including Accords
Low Wage Redress/Pay Equity	-	wage and benefit increases to address inequities in the public sector, including community health and social services
Service Enhancements	-	increases for additional services, including Accords and service agreements (e.g. nurses, teachers, doctor visits)
Previous Commitments	-	increases flowing from agreements concluded prior to April 1, 1998
Other	-	wage and benefit increases for non-union and excluded staff
Pensions	-	increases due to amendments to the Public Service Pension Plan

Where increases were required but funded through offsetting discretionary and administrative savings, the costs have been noted and then reduced to reflect the actual amount funded (e.g. the 2 percent wage lift for the direct public service). Also, where accounting policy required the government to record the full cost of an agreement in a single year regardless of when the cash payments were actually made, the amount booked has been shown (e.g. Public Service Pension Plan amendments). This analysis does not include compensation increases for Crown Corporations or Officers of the Legislature at this time.

Funding

The funding provided to ministries over the three year period is summarized below:

	---- $ millions ----			
	1998/99	1999/00	2000/01	TOTAL
Ongoing Funding Base for the 0-0-2 Timeframe (net of service enhancements and previous commitments)	28.23	123.15	343.48	**494.85**
Plus service enhancements (excluding one time)	25.00	118.22	126.59	269.81
Total Ongoing Base Funding for the 0-0-2 Timeframe (net of previous commitments)	53.23	241.37	470.07	**764.66**
Plus previous commitments (excluding one time)	151.68	31.24	39.68	222.61
Total Ongoing Base Requirements (net of one time costs)	204.91	272.61	509.75	**987.27**
Plus one time costs	42.20	278.99	0.00	321.19
Total Incremental Funding	247.91	551.60	509.75	**1,308.46**

The ongoing base increase for wages, pensions and other benefits (net of service enhancements, previous commitments, and one-time costs) is **$494.85 million** over the period April 1, 1998 to March 31, 2001. Low wage redress and pay equity accounts for 44% ($219.48 million) of this amount.

Agreements to provide additional services (e.g. nurses, teachers, and doctor visits) required an ongoing base increase of $269.81 million. Therefore, the total ongoing base funding requirement over the period April 1, 1998 to March 31, 2001 is **$764.66 million**. Service enhancements account for 35% ($269.81 million) of this amount.

Some of the commitments made prior to April 1, 1998 (the beginning of the 0-0-2 period) resulted in ongoing funding requirements totalling $222.61 million. Therefore, the total ongoing funding requirement including previous commitments is **$987.27 million**.

In addition, there were certain one-time costs, such as early retirement payments, that did not result in ongoing base funding requirements. These one-time requirements total $321.19 million. Therefore, the total incremental funding provided over the three year period totals **$1,308.46 million** for compensation increases in the public sector and service.

A detailed summary of this funding is presented in Attachment A.

Discussion

Government funds approximately 300,000 employees directly and indirectly at a cost of about $13 billion annually. Almost two thirds of the provincial budget flows directly or indirectly to fund labour costs.

In May 1997, Cabinet approved a collective bargaining mandate of "zero, zero, and two" for the three years ending 2000/01, to cover wage increases for the public sector and service.

It was recognized that there would be labour costs that would fall outside of the wage mandate. These include:

- negotiated increases in the size of the workforce to enhance services to the public i.e., additional teachers, nurses, doctor visits and new incentives to recruit and retain physicians in rural areas;
- labour accords; and
- payments which will occur during the 1998/1999 to 2000/2001 period but are from collective agreements and commitments made prior to April 1, 1998.

The summary information presented as Attachment A captures the funding of all the increases noted above.

Additional Information

For additional information on public sector settlements please contact Bill Adams or Scott McCannell at the Public Sector Employers' Council Secretariat at (250) 387-0842.

Attachment

Attachment A

Category	Ministry	— $ millions incremental — 1998/99	1999/00	2000/01	Total Incremental
Compensation increases (Note 1)	MAETT	0.00	0.00	20.40	20.40
	MAG (Note 2)	0.77	5.05	1.77	7.59
	MCF	0.00	5.73	2.72	8.45
	MED (Note 6)	0.00	27.99	53.92	81.91
	MOH	0.00	48.71	78.72	127.43
	MSDES	0.00	0.10	3.96	4.05
	MWE	0.00	0.03	0.07	0.10
	Direct Public Service (Note 4)	0.00	0.00	32.09	32.09
	Subtotal	0.77	87.60	193.65	282.02
	Direct Public Service offsetting measures (Note 4)	0.00	0.00	(32.09)	(32.09)
	Subtotal net of direct public service savings	0.77	87.60	161.56	249.93
Low wage redress and pay equity	MAETT	1.25	0.97	0.72	2.94
	MAG (Note 2)	0.00	0.07	3.76	3.83
	MCF	0.00	24.93	86.49	111.42
	MED	5.00	5.11	3.80	13.91
	MOH	13.00	20.56	38.67	72.22
	MSDES	1.33	1.55	3.26	6.14
	MWE	0.00	0.40	8.62	9.02
	Direct Public Service	0.00	0.00	0.00	0.00
	Subtotal	20.58	53.59	145.31	219.48
Other	MAETT	0.00	0.00	0.00	0.00
	MAG (Note 2)	0.00	0.11	0.79	0.90
	MCF	0.00	11.12	15.50	26.62
	MED	0.00	0.00	0.00	0.00
	MOH	1.87	4.43	2.24	8.54
	MSDES	0.00	0.14	1.01	1.15
	MWE	0.00	0.15	1.06	1.21
	Direct Public Service (Note 4)	0.00	0.10	5.80	5.90
	Subtotal	1.87	16.05	26.41	44.32
	Direct Public Service offsetting measures (Note 4)	0.00	(0.10)	(5.80)	(5.90)
	Subtotal net of direct public service savings	1.87	15.95	20.61	38.42
Previous commitments	MAETT	2.00	0.70	0.00	2.70
	MAG (Note 2)	2.38	1.42	0.00	3.80
	MCF	21.27	5.14	0.00	26.41
	MED (Note 6)	32.10	3.90	0.00	36.00
	MOH (Note 3)	131.93	122.78	39.18	293.89
	MSDES	0.00	0.00	0.00	0.00
	MWE	0.00	0.00	0.00	0.00
	Direct Public Service	4.20	2.30	0.50	7.00
	Subtotal	193.88	136.24	39.68	369.81
Service enhancements	MAETT	0.00	0.00	0.00	0.00
	MAG (Note 2)	0.00	4.78	0.00	4.78
	MCF	0.00	0.00	0.00	0.00
	MED	25.00	19.04	24.69	68.73
	MOH	0.00	94.40	101.90	196.30
	MSDES	0.00	0.00	0.00	0.00
	MWE	0.00	0.00	0.00	0.00
	Direct Public Service	0.00	0.00	0.00	0.00
	Subtotal	25.00	118.22	126.59	269.81
Public Service Pension	Total cost	5.00	153.00	16.00	174.00
	Offsetting amortization expense	0.00	(13.00)	0.00	(13.00)
	Subtotal	5.00	140.00	16.00	161.00
	Total Cost (Gross)	247.11	551.70	547.64	1,346.45
	Direct Public Service offsetting measures (Note 4)	0.00	(0.10)	(37.89)	(37.99)
All	**Net Total**	**247.11**	**551.60**	**509.75**	**1,308.46**

Notes

1. Compensation increases include amounts for Accords funded within ministry budgets.

2. MAG total for 2000/01 includes Ministry of Multiculturalism funding for community social services increases.

3. MOH previous commitments includes Kelleher comparability arbitration (currently in appeal period).

4. In the direct public service, wages and benefits are to be funded by offsetting discretionary and administrative savings. This is in the context of a 2.1 percent overall FTE increase and government direction to find savings outside of program and service delivery.

5. Public Service Pension enhancements were enabled by a surplus in the pension fund which occurred due to higher than forecast investment returns and lower than anticipated wage growth.

6. Early Retirement costs are one-time. The 1999/00 costs represent 3 year costs as per government accounting policy.

Ministry	— $ millions incremental — 1998/99	1999/00	2000/01	Total Incremental
Ministry of Advanced Education, Training and Technology				
Compensation increases (Note 1)	0.00	0.00	20.40	20.40
Service enhancements	0.00	0.00	0.00	0.00
Low wage redress and pay equity	1.25	0.97	0.72	2.94
Previous commitments	2.00	0.70	0.00	2.70
Other	0.00	0.00	0.00	0.00
Subtotal	3.25	1.67	21.12	26.04
Ministry of Attorney General (includes 2000/01 MMI)				
Compensation increases (Note 1)	0.77	5.05	1.77	7.59
Service enhancements	0.00	4.78	0.00	4.78
Low wage redress and pay equity	0.00	0.07	3.76	3.83
Previous commitments	2.38	1.42	0.00	3.80
Other	0.00	0.11	0.79	0.90
Subtotal	3.15	11.43	6.32	20.91
Ministry for Children and Families				
Compensation increases (Note 1)	0.00	5.73	2.72	8.45
Service enhancements	0.00	0.00	0.00	0.00
Low wage redress and pay equity	0.00	24.93	86.49	111.42
Previous commitments	21.27	5.14	0.00	26.41
Other	0.00	11.12	15.50	26.62
Subtotal	21.27	46.93	104.71	172.90
Ministry of Education				
Compensation increases (Notes 1 and 5)	0.00	27.99	53.92	81.91
Service enhancements	25.00	19.04	24.69	68.73
Low wage redress and pay equity	5.00	5.11	3.80	13.91
Previous commitments (Note 5)	32.10	3.90	0.00	36.00
Other	0.00	0.00	0.00	0.00
Subtotal	62.10	56.04	82.41	200.55
Ministry of Health				
Compensation increases (Note 1)	0.00	48.71	78.72	127.43
Service enhancements	0.00	94.40	101.90	196.30
Low wage redress and pay equity	13.00	20.56	38.67	72.22
Previous commitments (Note 2)	131.93	122.78	39.18	293.89
Other	1.87	4.43	2.24	8.54
Subtotal	146.80	290.88	260.71	698.40
Ministry of Social Development and Economic Security				
Compensation increases (Note 1)	0.00	0.10	3.96	4.05
Service enhancements	0.00	0.00	0.00	0.00
Low wage redress and pay equity	1.33	1.55	3.26	6.14
Previous commitments	0.00	0.00	0.00	0.00
Other	0.00	0.14	1.01	1.15
Subtotal	1.33	1.79	8.23	11.35
Ministry of Women's Equality				
Compensation increases (Note 1)	0.00	0.03	0.07	0.10
Service enhancements	0.00	0.00	0.00	0.00
Low wage redress and pay equity	0.00	0.40	8.62	9.02
Previous commitments	0.00	0.00	0.00	0.00
Other	0.00	0.15	1.06	1.21
Subtotal	0.00	0.57	9.75	10.32
Direct Public Service - All Ministries and Agencies (Note 3)				
Compensation increases (Note 1)	0.00	0.00	0.00	0.00
Service enhancements	0.00	0.00	0.00	0.00
Low wage redress and pay equity	0.00	0.00	0.00	0.00
Previous commitments	4.20	2.30	0.50	7.00
Other	0.00	0.00	0.00	0.00
Subtotal	4.20	2.30	0.50	7.00
Public Service Pension				
Total cost	5.00	153.00	16.00	174.00
Offsetting amortization expense	0.00	(13.00)	0.00	(13.00)
Subtotal	5.00	140.00	16.00	161.00
Total	247.11	551.60	509.75	1,308.46

Notes

1. Compensation increases include amounts for Accords funded within ministry budgets.

2. MOH previous commitments includes Kelleher comparability arbitration (currently in appeal period).

3. In the direct public service, wages and benefits are to be funded by offsetting discretionary and administrative savings. This is in the context of a 2.1 percent overall FTE increase and government direction to find savings outside of program and service delivery.

4. Public Service Pension enhancements were enabled by a surplus in the pension fund which occurred due to higher than forecast investment returns and lower than anticipated wage growth.

5. Early Retirement costs are one-time. The 1999/00 costs represent 3 year costs as per government accounting policy.

Category	Ministry of Advanced Education, Training and Technology	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Compensation increases	General 2 percent increase on all contributions	0.00	0.00	20.40	20.40
	Compensation increases subtotal	*0.00*	*0.00*	*20.40*	*20.40*
Low wage redress and pay equity	Pay equity	1.25	0.97	0.72	2.94
	Low wage redress and pay equity subtotal	*1.25*	*0.97*	*0.72*	*2.94*
Previous commitments	Common salary grid adjustments	2.00	0.70	0.00	2.70
	Previous commitments subtotal	*2.00*	*0.70*	*0.00*	*2.70*
	Total	3.25	1.67	21.12	26.04

Notes

1. The general wage increase was calculated as follows:

Assume	
Contribution Base (rounded)	*1,200*
Wage Component	*85%*
Wage Base	*1,020*
Lift as per agreements	*2.0%*
Increase	*20.4*

2. Compensation increases include increases for both front-line and excluded/management staff.

3. Compensation increases do not reflect potential costs in 2000/01 for issues currently in negotiations (including Accords).

		— $ millions incremental —			
Category	**Ministry of Attorney General**	1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Judicial compensation		4.094	0.835	4.929
Compensation increases	Health sector related increases		0.125	(0.065)	0.060
Compensation increases	Crown Counsel Association lockstep increase	0.773	0.830	1.000	2.603
	Compensation increases subtotal	*0.773*	*5.049*	*1.770*	*7.592*
Low wage redress and pay equity	Increases in unionized community social services sector; a portion was transferred to new Ministry for Multiculturalism		0.070	3.759	3.829
	Low wage redress and pay equity subtotal	*0.000*	*0.070*	*3.759*	*3.829*
Other	Increases in the non-unionized community social services sector; a portion was transferred to new Ministry for Multiculturalism		0.108	0.794	0.902
	Other subtotal	*0.000*	*0.108*	*0.794*	*0.902*
Previous commitments	1 percent salary increase (BCGEU November 30, 1997) - *funded*	2.106			2.106
Previous commitments	Reclassification Criminal Victim Witness Service and Victims of Crime Act. Public Service Employee Relations Commission increased classifications.	0.275			0.275
Previous commitments	Equality for Social Program Officer series (Corrections)		0.961		0.961
Previous commitments	Equality for Information Systems series employees *funded*		0.460		0.460
	Previous commitments subtotal	*2.381*	*1.421*	*0.000*	*3.802*
Service enhancements	Metzger report, judges and support staff		4.780		4.780
	Service enhancements subtotal	0.000	4.780	0.000	4.780
	Total	3.154	11.428	6.323	20.905

Notes

1. MAG total for 2000/01 includes Ministry of Multiculturalism funding for community social services increases.

2. Includes 2 percent wage increase April 2000. Total cost of the increase across the sector and included within the funding provided to MCF, MAG, MOH, MSDES, and MWE about $6.5 million.

3. MAG funded costs include some reclassification adjustments for Social Program Officers, Information Systems technicians and annualized funding for the November 1997 1 percent general increase.

		— $ millions incremental —			
Category	**Ministry for Children and Families**	1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Nurses Levelling Funds		0.380		0.380
Compensation increases (Note 1)	Health sector related increases		5.350	2.720	8.070
	Compensation increases subtotal	*0.000*	*5.730*	*2.720*	*8.450*
Low wage redress and pay equity	Increases in unionized community social services sector (Note 2)		24.930	86.490	111.420
	Low wage redress and pay equity subtotal	*0.000*	*24.930*	*86.490*	*111.420*
Other	Increases in the non-unionized community social services sector		1.723	12.618	14.341
Other	Indirect cost increases attributable to community social services collective agreements and related Accords (Note 3)		9.400	2.880	12.280
	Other subtotal	*0.000*	*11.123*	*15.498*	*26.621*
Previous commitments	Paramedicals transition costs to Health Sciences Association pay-scale	0.240			0.240
Previous commitments	Wage settlements public health nursing		0.583		0.583
Previous commitments	Health sector unionized agency settlements	3.500			3.500
Previous commitments	Compensation increases (annualization of 1997/98 increases)	8.510			8.510
Previous commitments	Community social services sector - unionized agency settlements	8.500			8.500
Previous commitments	Benefits increase re: transfer of staff to Health Authorities	0.520			0.520
Previous commitments	BCGEU - Social Program Officer grid changes (Direct Staff)		4.560		4.560
	Previous commitments subtotal	21.270	5.143	0.000	26.413
All	Total	21.270	46.926	104.708	172.904

Notes

1. May include some low wage redress.

2. Includes 2 percent wage increase April 2000. Total cost of the increase across the sector and included within the funding provided to MCF, MAG, MOH, MSDES, and MWE about $6.5 million.

3. Indirect costs are those attributable to secondary issues in the collective agreement and impacts on MCF's utilization management initiatives (i.e. its efforts to contain costs for the community living services and children in care programs).

		— $ millions incremental —			
Category	**Ministry of Education**	1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Wage Increase 2 percent			48.70	48.70
Compensation increases	Teachers on Call			5.22	5.22
Compensation increases	Early Retirement (Note 1)		27.99		27.99
	Compensation increases subtotal	*0.00*	*27.99*	*53.92*	*81.91*
Low wage redress and pay equity	Pay Equity - Support staff	5.00	5.11	3.80	13.91
	Low wage redress and pay equity subtotal	5.00	5.11	3.80	13.91
Previous commitments	Teachers 1 percent (part of collective agreement in force up to June 1998)	17.70	2.00		19.70
Previous commitments	Early Retirement (Note 1)	10.00			10.00
Previous commitments	CUPE 1 percent	4.40	1.90		6.30
	Previous commitments subtotal	*32.10*	*3.90*	*0.00*	*36.00*
Service enhancements	Education Plus Initiative	25.00	15.50	23.15	63.65
Service enhancements	Flex Factor		2.00	0.88	2.88
Service enhancements	Vancouver - English as a Second Language		1.54	0.66	2.20
	Service enhancements subtotal	*25.00*	*19.04*	*24.69*	*68.73*
	Total	62.10	56.04	82.41	200.55

Notes

1. Early Retirement costs are one-time. The 1999/00 costs represent 3 year costs as per government accounting policy.

		— $ millions incremental —			
One time costs included above		1998/99	1999/00	2000/01	Total Incremental
Previous commitments	Early Retirement (Note 1)	10.00			10.00
Compensation increases	Early Retirement (Note 1)		27.99		27.99
	Total	10.00	27.99	0.00	37.99

Category	Ministry of Health	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Compensation increases	British Columbia Medical Association		15.600	15.600	31.200
Compensation increases	Community Health - General wage increase $0.30 per hour April 1, 2000			4.130	4.130
Compensation increases	Facilities - General wage increase of 2 percent			26.560	26.560
Compensation increases	Facilities - Improved Benefits Extended Health and Dental Plan Increases April 1, 1999		3.300		3.300
Compensation increases	Further reduction for MCF portion of Public Health Nurses and Speech, Audiology, Nutrition, and Dental Programs			(2.000)	(2.000)
Compensation increases	Ministry for Children and Families Recovery 2 percent general increase for Public Health Nurses and Speech, Audiology, Nutrition, and Dental Programs			(1.099)	(1.099)
Compensation increases	Nurses - General wage increase 2 percent			23.000	23.000
Compensation increases	Nurses - Health and Welfare Benefits Increase		2.050		2.050
Compensation increases	Nurses - Levelling for union members and new certifications		10.020	1.580	11.600
Compensation increases	Nurses - Client specific assignments		0.600		0.600
Compensation increases	Paramedicals - Full levelling		9.600		9.600
Compensation increases	Paramedicals - General wage increase 2 percent			9.410	9.410
Compensation increases	Paramedicals - Health and welfare benefits		0.907		0.907
Compensation increases	Paramedicals - Levelling of new certifications			0.555	0.555
Compensation increases	Paramedicals - Long Term Disability Trust		6.000		6.000
Compensation increases	Paramedicals - On call		0.599		0.599
Compensation increases	Residents and Interns (Professional Association of Residents) - 1999/00 settlement		0.035		0.035
Compensation increases	Residents and Interns (Professional Association of Residents) - General wage increase 2 percent			0.688	0.688
Compensation increases	Single agreements			0.300	0.300
	Compensation increases subtotal	*0.000*	*48.711*	*78.724*	*127.435*
Low wage redress and pay equity	Community Health - Improved Benefits/Premiums Negotiated increase for extended health plan and mileage effective April 1, 1999; increases for mileage, dental, group life, Long Term Disablity, Special leave, and casual benefits April 1, 2000		0.800	11.274	12.074
Low wage redress and pay equity	Community Health - Pay equity Negotiated 2.5 percent effective April 1, 1999		6.500	6.500	13.000
Low wage redress and pay equity	Community Health - Vacation Entitlements Increase			2.380	2.380
Low wage redress and pay equity	Community Health - Home support worker travel time effective April 1, 2000			2.000	2.000
Low wage redress and pay equity	Facilities - Pay equity	13.000	12.800	13.300	39.100

Category	Ministry of Health	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Low wage redress and pay equity	Increases in unionized community social services sector		0.458	3.211	3.669
	Low wage redress and pay equity subtotal	*13.000*	*20.558*	*38.665*	*72.223*
Other	Increases in the non-unionized community social services sector		0.058	0.428	0.486
Other	Management Compression Amounts estimated by Public Sector Employers' Council Secretariat to address management compression caused by negotiated increases to staff.	1.872			1.872
Other (Note 1)	Occupational Health and Safety Organization		4.000		4.000
Other	Public Service Employee Relations Commission (non direct staff) - 2 percent general wage increase			1.809	1.809
Other	Public Service Employee Relations Commission (non direct staff) $200 signing bonus for staff at Riverview, Oak Bay and Broadmead Lodges		0.375		0.375
	Other subtotal	*1.872*	*4.433*	*2.237*	*8.543*
Previous commitments	Annualization of 1 percent lift on November 1997	24.265			24.265
Previous commitments	Community Sector Projected Cost to bring the community table to the same level of wage and benefits as the Home Support Standard agreement.	9.504			9.504
Previous commitments	Health Labour Adjustment Agency costs (Industrial Inquiry Commissioner recommendation May 10, 1996)		4.000		4.000
Previous commitments	Facilities Levelling of new certifications			3.600	3.600
Previous commitments	Home Support Levelling Under the Home Support Agreement, new certifications do not go to the standard rates for wages and benefits until March 31, 1998	5.000			5.000
Previous commitments	Negotiated Home Support Long Term Disability Increase	1.340			1.340
Previous commitments	Nurses Workweek from 35 to 36 hours Under the melded collective agreement, community nurses will now work 36 hours per week, rather than 35, resulting in an annual increase of $1,600 per full-time nurse.	3.268			3.268
Previous commitments	Public Service Employee Relations Commission/BCGEU and PEA Transition Costs Paramedicals who transferred from the public service to the health authorities receive increases which take them to the Health Sciences Association scale over six years	1.302	0.878		2.180
Previous commitments	British Columbia Medical Association	55.053			55.053
Previous commitments	Hospital Employees Union - Comparability Arbitration	32.200	117.900	31.140	181.240

Category	Ministry of Health	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Previous commitments	Public Service Employee Relations Commission nurses full levelling to Heath Employers' Association of BC wage scale			4.445	4.445
	Previous commitments subtotal	*131.932*	*122.778*	*39.185*	*293.895*
Service enhancements	British Columbia Medical Association		71.900	71.900	143.800
Service enhancements	Facilities Workload funding		5.000	5.000	10.000
Service enhancements	Nurses - Casual call-in		2.500		2.500
Service enhancements	Nurses - Workload funding		15.000	25.000	40.000
	Service enhancements subtotal	*0.000*	*94.400*	*101.900*	*196.300*
	Total	146.804	290.880	260.711	698.395

Notes

1. The $11 million repayable loan only funded to $4 million.

	One time costs included above	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Other (Note 1)	Occupational Health and Safety Organization		4.000		4.000
Previous commitments	Hospital Employees Union - Comparability Arbitration	32.200	105.000	0.000	137.200
	Total	32.200	109.000	0.000	141.200

Category	Ministry of Social Development and Economic Security	— $ millions incremental — 1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Base lift increase for contracted services			3.972	3.972
Compensation increases	Health sector related increases - Contingencies Access 1999/00 (Note 1)		0.095	(0.015)	0.080
	Compensation increases subtotal	*0.000*	*0.095*	*3.957*	*4.052*
Low wage redress and pay equity	Wage Supplement Funding	1.330	1.330		2.660
Low wage redress and pay equity	Increases in unionized community social services sector - Contingencies access 1999/00		0.224	3.259	3.483
	Low wage redress and pay equity subtotal	1.330	1.554	3.259	6.143
Other	Increases in the non-unionized community social services sector - Contingencies Access 1999/00		0.138	1.012	1.150
	Other subtotal	0.000	0.138	1.012	1.150
	Total	1.330	1.787	8.228	11.345

Notes

1. Some of the health sector related increase may be low wage funding. The incremental funding for this item and for non-union and union community social services increases increases shown in the Blue Book includes both 1999/00 and 2000/01 funding (since 1999/00 funded from Contingencies).

Category	Ministry of Women's Equality	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Compensation increases in the Bridging Program			0.070	0.070
Compensation increases	Health sector related increases (1999/00 from Contingencies) Note 1		0.025	0.000	0.025
	Compensation increases subtotal	*0.000*	*0.025*	*0.070*	*0.095*
Low wage redress and pay equity	Community social services union compensation increases (1999/00 from Contingencies)		0.396	8.620	9.016
	Low wage redress and pay equity subtotal	*0.000*	*0.396*	*8.620*	*9.016*
Other	Community social services non-union compensation increases (1999/00 from Contingencies)		0.145	1.064	1.209
	Other subtotal	*0.000*	*0.145*	*1.064*	*1.209*
All	Total	0.000	0.566	9.754	10.320

Notes

1. Some of the health sector related increase may be low wage funding. The incremental funding for this item and for non-union and union community social services increases increases shown in the Blue Book includes both 1999/00 and 2000/01 funding (since 1999/00 funded from Contingencies).

Category	Direct Public Service	— $ millions incremental —			
		1998/99	1999/00	2000/01	Total Incremental
Compensation increases	Compensation increases (Note 1)	0.00	0.00	32.09	32.09
Compensation increases	Government directed offsetting efficiency measures (Note 2)	0.00	0.00	(32.09)	(32.09)
	Compensation subtotal	*0.00*	*0.00*	*0.00*	*0.00*
Low wage redress and pay equity	Low wage redress and pay equity	0.00	0.00	0.00	0.00
	Low wage redress and pay equity subtotal	*0.00*	*0.00*	*0.00*	*0.00*
Other	Excluded staff	0.00	0.00	5.30	5.30
Other	Deputy Ministers' salary increase	0.00	0.10	0.50	0.60
Other	Government directed offsetting efficiency measures (Note 2)	0.00	*(0.10)*	*(5.80)*	*(5.90)*
	Other subtotal	*0.00*	*0.00*	*0.00*	*0.00*
Previous commitments	Previous commitments	4.20	2.30	0.50	7.00
	Previous commitments subtotal	*4.20*	*2.30*	*0.50*	*7.00*
Service enhancements	Service enhancements	0.00	0.00	0.00	0.00
	Service enhancements subtotal	*0.00*	*0.00*	*0.00*	*0.00*
	Total (net of efficiency)	4.20	2.30	0.50	7.00

Notes:

1) The Compensation increase excludes $1.809 for some front line workers in MOH for which government did provide additional funding.

2) Government has increased funding for the general 2 percent wage lift which will occur on April 1, 2000 for the public service and provincial public sector. In the direct public service, wages and benefits were funded with ministries directed to find offsetting discretionary and administrative savings. This is in the context of a 2.1 percent overall FTE increase and government direction to find savings outside of program and public service delivery.

3) The direct public service costs shown above do not include the annualized impact of the 1 percent general wage increase which took effect in November 1997.

Category	Direct Public Service	---- $ millions ----			
		1998/99	1999/00	2000/01	Total Incremental
Previous commitments	Annualization of November 30, 1997 1% increase	16.00	0.00	0.00	16.00

Category	Other	— $ millions incremental — 1998/99	1999/00	2000/01	Total Incremental
Public Service Pension	Pension Amendment (change to the Rule of 85)	0.0	158.0	0.0	158.0
Public Service Pension	Pension Amendment (change to the Rule of 85 ongoing cost)	0.0	0.0	16.0	16.0
Public Service Pension	Pension Amendment (other minor changes)	0.0	(16.0)	0.0	(16.0)
	Pensions Amendments Total Costs	0.0	142.0	16.0	158.0
Public Service Pension	Employee Pension Contribution Holiday (Note 1)	5.0	11.0	0.0	16.0
	Subtotal	*5.0*	*153.0*	*16.0*	*174.0*
Public Service Pension	Amortization of Actuarial Liability (Note 2)	0.0	(13.0)	0.0	(13.0)
	Net Total	5.0	140.0	16.0	161.0

Notes

1. Represents a 1 percent employee pension contribution reduction from November 29, 1998 to March 31, 2000.

2. Represents the amortization of the increase in the unfunded pension liability relating to the pension plan ($142 million) over 10.9 years.

3. Public Service Pension enhancements were enabled by a surplus in the pension fund which occurred due to higher than forecast investment returns and lower than anticipated wage growth.

One time costs included above		— $ millions incremental — 1998/99	1999/00	2000/01	Total Incremental
Public Service Pensions	Pensions Amendments Total Costs	0.0	142.0	0.0	142.0
	Total	0.0	142.0	0.0	142.0

One Time Costs	— $ millions incremental —			
	1998/99	1999/00	2000/01	Total Incremental
MED - Teachers Early Retirement	10.00	0.00	0.00	10.00
MED - Teachers Early Retirement	0.00	27.99	0.00	27.99
MOH - Occupational Health and Safety Organization	0.00	4.00	0.00	4.00
MOH - Hospital Employees Union - Comparability Arbitration	32.20	105.00	0.00	137.20
Pensions Amendments One Time Costs	0.00	142.00	0.00	142.00
Total One Time Costs	**42.20**	**278.99**	**0.00**	**321.19**

	— $ millions incremental —			
	1998/99	1999/00	2000/01	Ongoing Base
Net Total	247.11	551.60	509.75	**1,308.46**
Less one time costs	(42.20)	(278.99)	0.00	(321.19)
Subtotal ongoing base requirements	204.91	272.61	509.75	**987.27**
Less previous commitments (excluding one time)	(151.68)	(31.24)	(39.68)	(222.61)
Subtotal ongoing excluding previous commitments	53.23	241.37	470.07	**764.66**
Less service enhancements (excluding one time)	(25.00)	(118.22)	(126.59)	(269.81)
Subtotal ongoing excluding previous commitments and service enhancements	28.23	123.15	343.48	**494.85**

LIST OF RATIFIED ACCORDS – WITH COST IMPLICATIONS IN MINISTRY BUDGETS 1998/99 to 2000/01

HEALTH SECTOR

- **Occupational Health and Safety Agency**
  Funding for the establishment of an agency to address occupational health and safety across the health sector. This is a repayable loan.

EDUCATION SECTOR

- **Teachers Early Retirement**
  An early retirement incentive program where teachers eligible for early retirement are provided with a cash incentive based on the actual savings from the difference between teachers leaving the system at the top of the salary scale and their replacements' lower salary levels.

PUBLIC SERVICE

- **Pension**
  The public service pension plan surplus will be used to fund a permanent reductIon in the age and service requirements from 90 to 85 and a 16-month pension contribution holiday.

COMMUNITY SOCIAL SERVICES

- **Successorship**
  Addresses successorship issues for contracted services in the sector.

- **Preventing Violence**
  Funding to address the issue of violence in the sector.

- **Joint Benefits**
  Funding provided to establish an administrative structure for a joint benefits trust.

- **Advisory Committee**
  Funding for meeting costs of a union/management advisory committee to the Ministry of Children and Families.

May 23, 1998

PUBLIC SECTOR ACCORD
ON
OCCUPATIONAL HEALTH AND SAFETY

AGREEMENT TO RECOMMEND

We agree to recommend the attached Public Sector Accord on Occupational Health and Safety to our principals.

The parties further agree that no public release of the details of this document will be made without the agreement of the parties.

Health Services and Support Facilities Association

Health Services and Support Community Association

Health Employers Association of B.C.

The Government of British Columbia

PUBLIC SECTOR ACCORD ON OCCUPATIONAL HEALTH AND SAFETY

I. Preamble:

Workers, employers and the Government of British Columbia share the objective of promoting safe and healthy workplaces throughout the health care sector in the province.

Hospitals, long term care facilities and community health care agencies have not had good health and safety records. For example the Workers' Compensation Board reports that there were 4,591 short term disability claims among health care workers in 1996 and 23,756 claims in the five years between 1992 and 1996 inclusive. Experts estimate that, at any one time, fully 5 percent of union members in the facilities sub-sector are on long term disability and annually losing over 200,000 lost days of work.

Unions, the employers and the Government all have an economic incentive and a social responsibility to foster safety and reduce injuries. Improved health and safety practices, better health and safety training and the adoption of best practices across the sector are in the interests of workers, employers, patients and the broader public. Workplace injuries and occupational diseases impose a very significant burden on health care workers and their families. They also result in the loss of skilled and experienced workers to the health care system, while resulting in significant additional costs for treatment, recovery and income replacement.

In light of the significant benefits to workers, employers and the province's health care system from policies and programs which prevent accidents and occupational diseases, the Unions (represented by bargaining Associations), Employers (represented by the Health Employers Association of BC) (HEABC) and the Government of British Columbia (the Government), have concluded a new Occupational Health and Safety Accord, explicitly designed to promote these goals.

II. Objectives of the Accord:

The objectives of the Accord are set out in the attached addendums and are summarized as follows:

- promote a safe and healthy work environment through healthy workforces, safe workloads and promotion of safer work practices
- reduce the incidence of accidents and occupational diseases
- facilitate co-operation between unions and employers on health and safety issues
- implement pilot and demonstration programs
- provide education and training to health care workers through local OH&S committees
- encourage safe early return to work programs
- share information and experience across the sector
- research and implement innovative health and safety solutions and best practices
- strengthen linkages with the accident prevention programs of the WCB
- establish an institutional framework for implementing these objectives

* improved compliance with WCB regulations and recommendations
* promote the adoption of the practice, program or model
* provide an equal or greater degree of protection to workers

III. Parties to the Accord:

There are three Parties to the Accord: the Unions (represented by bargaining associations), HEABC and the Government of British Columbia. Each Party commits to working co-operatively to implement both the spirit and the specific undertakings of this accord. Further, the Parties may wish to involve other agencies through partnership arrangements.

IV. Establishment of a Health Care Occupational Health and Safety Agency:

To facilitate achievement of the objectives of the Accord, the Parties have agreed to establish a Health Care Occupational Health and Safety Agency. The Agency will be jointly administered with equal representation from the unions and employers with a neutral chair selected by the unions and employers. It will work with all members of the health care community to develop guidelines and programs designed to promote better health and safety practices through prevention, safe workloads, promotion of safe work practices, safe early return to work, pilot programs and sharing of best practices. It will also develop new measures to assess the effectiveness of programs and innovations in this area.

The Agency will develop a methodology for evaluating outcomes, establish goals for its programs, including measurable outcomes, and apply the methodology to audit outcomes. These audits will be available to the Parties and the public.

V. Funding:

The Agency will be self financing, that is funded on a cost-neutral basis through savings resulting from better health and safety practices. Resources will be generated from a variety of different sources, including savings from lower accident and injury rates, improved safe return to work programs, lower WCB assessment rating and the implementation of new WCB worksafe programs. The Agency will directly negotiate these arrangements with the Workers' Compensation Board.

As savings will not be realised until after new Agency programs have had time to demonstrate their effectiveness, the Province will provide an accountable advance from the Ministry of Health to enable it to begin operations. This advance will be repaid over time from the savings resulting from the Agency's activities.

The Ministry of Health of the Government of British Columbia will provide to the Health Care Occupational Health and Safety Agency for the initial three year period from the date of its formal establishment by the Parties, accountable advances in the following amounts:

Fiscal 1998 - 1999	$5,000,000
Fiscal 1999 - 2000	$4,000,000
Fiscal 2000 - 2001	$2,000,000

and; with the condition that no more than $1,000,000 annually be devoted to operating expenditures, and that unexpended funds be carried forward into the following years.

The Agency will audit its programs to document expenditures and identify savings achieved. It will publish annual reports of the audits.

VI. Implementation:

On ratification of the Accord, a working group composed of equal representation from the Unions (represented by the bargaining associations) and HEABC will be established. This working group shall be guided by collective agreement language in developing a workplan for the establishment of the Agency, including the appointment of an Executive Director and appropriate staff.

Tentatively agreed, subject to ratification by the Parties:

_____
Health Services and Support Facilities Association

_____
Health Services and Support Community Association

_____
Health Employers Association of B.C.

_____
The Government of British Columbia

Date:_____

This proposal is tabled on the condition that the Parties secure a commitment from the Government of B.C. to fund the Health Care Occupational Health and Safety Agency.

ADDENDUM
HEALTH CARE OCCUPATIONAL HEALTH AND SAFETY AGENCY

The Parties recognize that there is an ability to involve other agencies and government, through partnerships, thereby multiplying the advantages of working together.

The Parties recognize that the ability to promote best practices and conduct necessary research is enhanced through a joint effort, thereby increasing acceptance, trust and understanding of solutions to mutually beneficial objectives.

The Parties recognize the benefit of and are committed to establishing a government funded approach to joint identification and implementation strategies where safe work environments, healthy workforces and quality patient care can be achieved through prevention, safe workloads, promotion of safe work practices, safe early return to work, pilot programs and sharing of best practices among union members, employers, and industry at large.

To that end, the Parties agree to establish a jointly run agency for the purpose of developing and evaluating program objectives with respect to prevention programs and compliance with Workers' Compensation Board requirements.

Where the Agency identifies practices, programs or models which have the potential to improve occupational health and safety or improve compliance with Workers' Compensation Board regulations and recommendations in the health sector, the Agency shall promote the adoption of the practice, program or model in accordance with Agency guidelines or with such modifications deemed by the Agency to provide an equal or greater degree of protection to workers.

Agreed to on April 8, 1998

On Behalf of HEABC

On Behalf of Health and Support Worker - Facilities Association

Public Sector Accord on Early Retirement and Teacher Career Transition

I. Preamble:

The Province of British Columbia has a broad policy to generate job opportunities for young people. In the area of education, the Government of British Columbia and the British Columbia Teacher's Federation (BCTF) are committed to helping younger teachers begin their careers, enabling them to make full use of the training and professional qualifications they have recently acquired.

Discussions between the Government and the BCTF have resulted in agreement on an Early Retirement Incentive Plan for teachers over 55 and a Teacher Career Transition Plan for teachers over 50, herein after referred to as the Early Retirement and Career Transition Plan. This initiative will provide new job opportunities for younger teachers due to vacancies arising from teachers who choose to take advantage of the option to retire or leave under the terms of the Plan.

The Parties have designed this agreement to serve the broad public interest. The Early Retirement and Career Transition Plan will operate within a cost neutral fiscal framework. The Parties to this Accord believe that creative public policy can address both the interests of the educational community and the fiscal challenges facing Government.

II. Parties to the Accord

The parties to this Accord are the Government of British Columbia and the British Columbia Teacher's Federation, herein after referred to as the Government and the BCTF. In implementing this Accord, the parties commit to working co-operatively with other members of the public educational community, including school districts, trustees, parents and students.

III. Objectives

The objectives of this Accord, as agreed by the Parties, are set out below:

1. Opportunities for younger teachers to begin their careers.
2. Opportunities for teachers wishing to change careers or to take early retirement.
3. Cost neutral measures that will update the pension plan provisions.
4. Recognition of the fiscal challenges facing Government.

Under the terms of this Accord, Government will make an early retirement or career transition incentive available to teachers who retire or leave before the age of 65.

IV. Operational Guidelines

1. The implementation of this plan will be cost-neutral over the life of the agreement. Savings realised from the difference in salary payroll between retiring teachers and new teachers entering the system will offset the costs of this program.

2. Teachers may choose to participate in either this Early Retirement and Career Transition Plan or a pre-existing local early retirement incentive, but will not be eligible for both.

3. The Early Retirement and Career Transition Plan must lead to additional opportunities for younger teachers starting their careers.

4. Plan participants will not be eligible for re-hire in BC Public Schools unless they repay the full amount of the incentive.

5. In order to ensure a minimum disruption to the education system, participants will be required to confirm that they intend to retire, or leave, on June 30, 1999. The program will be open only to those retiring or leaving on this date (i.e. one year window).

V. Eligibility

1. BCTF members with 10 years contributory service who have been employees and BCTF members during the previous 20 months (two years) in the public school system to be eligible.

2. Minimum age for participation is 50 years as of June 30, 1999.

3. Individual incentives will be pro-rated based on the current FTE teacher assignment for teachers with less than a full time appointment.

4. Retiring teachers may participate in this incentive program or a pre-existing local incentive program. Participation in a pre-existing local incentive program precludes participation in this incentive plan.

5. Participating teachers will agree to refrain from employment in the BC public school system until one year after the final payment is made. No participant will be eligible for re-hire without repayment of the full amount received under this initiative.

6. Teachers between the qualifying ages of 50 and 63 will receive the amounts indicated in the schedule set out in section *VI (5) Calculation of Incentive*. Teachers who are 64 years of age will receive only a one year payment entitlement at the rate set out in section *VI (5)*.

VI. Calculation of Incentive

1. Participants retiring on June 30, 1999 will receive an incentive bonus each year for two years. The timing of payments will be made according to the schedule set out in *VII. (2) Payment Schedule* below.

2. The actual difference in salary costs between teachers participating in this program and new teachers hired to replace these participants will be used to fund the Early Retirement and Career Transition Plan.

3. The maximum incentive amount to be paid to participants in the first year of the program shall be the actual average difference in salary costs between teachers participating in this program and new teachers hired to replace these teachers.

4. The maximum incentive amount to be paid to participants in the second year of the program shall be the actual average difference in salary costs between teachers participating in this program and new teachers hired to replace these teachers *less* the average cost of a teacher salary increment.

5. The amount of the incentive shall be structured to provide the maximum incentive to participants at the younger end of the qualifying age group. The amount of the incentive shall be reduced on a graduated basis as participants approach the age of 65 as set out in the following schedule:

Age Range	Percent of Maximum Payment
50 - 57	100%
58 - 59	90%
60 - 61	80%
62 - 63	70%
64	60%

6. Because the maximum amount to be paid is based on the actual difference in salaries, and because this amount will not be known until after participants in this program have left teaching, the Parties have requested the Chair of the Teachers' Pension Board to provide an expert opinion of the projected amount of the incentive to be paid to participants. This estimate will be based on relevant data supplied by the Ministry of Education.

VII. Administrative Issues

1. Priority hiring, including the employment of young teachers

The parties agree that priority in recruitment shall be given to BC teachers, including TOCs and recent BC graduates. School districts shall be asked to respect the objectives of

the Accord in their hiring practices and, specifically, the objective of renewing the workforce and providing opportunities for young teachers to begin their careers.

2. Payment schedule

The parties agree that participating teachers shall receive payments according to the following schedule:

January 31st, 2000	50% of the estimated savings for the 1st year of the Plan
June 30th, 2000	The balance of the actual savings for the 1st year of the Plan
January 31st, 2001	50% of the estimated savings for the 2nd year of the Plan
June 30th, 2001	The balance of the actual savings for the 2nd year of the Plan

For tax purposes, if the teacher has available RRSP room or the payment qualifies as a retirement allowance under the Income Tax Act, the payment may be tax sheltered in an RRSP.

3. Administrative structure

Subject to the capacity of the BC Superannuation Commission, the Parties agree that the Commission will take responsibility for administering the Accord. The Ministry of Education and the BCTF agree that they will assist the Commission in this process.

4. School district funding

The Ministry of Education, on behalf of the Government, shall ensure that funding allocations to school districts are adjusted such that the incentives agreed under the terms of this program are made available to participants

VIII. Pension Plan Policy Issues

The Parties agree that there are a number of specific, cost neutral, changes to the current pension plan which will be incorporated into this Accord. These changes are the result of discussions between the Parties and between the Chair of the Teacher's Pension Board and the Parties and are jointly recommended. The Government agrees that as part of its commitment to the Accord, it will ensure that these changes are expeditiously implemented, including, where necessary, passing the relevant legislation or regulations necessary for implementation.

These items are listed below:

1. Extension of the child rearing dropout provision to include teachers whose pensionable service prior to the child rearing period was in another teacher pension plan.

2. Transfer of the associated professionals, such as speech language pathologists and school psychologists from the Municipal Pension Plan to the Teacher's Pension Plan.

3. Eliminate the current marital status bias in the pre-retirement death benefit.

4. Modernise, or remove, the disability pension benefit provision so that it, minimally, complies with the provisions of the *Income Tax Act*.

5. Restrict the use of the joint life and last survivor option to the spouse, including a same sex spouse and dependants, as defined in the *Income Tax Act*.

6. Provide extended healthcare and dental benefits to pensioners who live outside of BC in an amount equivalent to (but no greater than) the amount paid for these benefits within the Province.

7. Implement a number of small, no cost, 'housekeeping' measures to improve the functioning of the current plan. These measures have previously been approved by the Board but not implemented by Government due to its busy legislative and regulatory timetable.

The first six of these issues are discussed in greater detail in a letter from the Chair of the Teacher's Pension Board to the Parties dated March 9, 1998 and included as Appendix "A" to this Accord.

Recommended on behalf of the Government of BC

Tony Penikett, Chief Negotiator, Public Sector Accords — Date: April 16, 1998

Recommended on behalf of the British Columbia Teacher's Federation

Kit Krieger, President — Date: April 16/1998

ACCORD

between the

GOVERNMENT OF BRITISH COLUMBIA

and the

B.C. GOVERNMENT AND SERVICE EMPLOYEES' UNION

The Accord consists of the following five components:

1. The Accord document between the Government of British Columbia and the B.C. Government and Service Employees' Union;

2. The Tentative 12th Master Agreement;

3. June 9, 1998, letter to John T. Shields, President of the B.C. Government and Service Employees' Union from Tony Penikett, Chief Public Accord Negotiator regarding Union-Management Information Services Steering Committee and Voice Network Services;

4. June 9, 1998, letter to John T. Shields, President of the B.C. Government and Service Employees' Union from Tony Penikett, Chief Public Accord Negotiator regarding amendments to the *Public Service Labour Relations Act*;

5. Letter to John T. Shields, President of the B.C. Government and Service Employees' Union from Joy K. MacPhail, Minister of Finance regarding amendments to the Public Service Pension Plan.

June 9, 1998
(11:05 pm)

Accord Between the Government of British Columbia and the British Columbia Government and Service Employees' Union

The Government of British Columbia and the British Columbia Government and Service Employees' (BCGEU) share the objectives of improving public services, creating employment for British Columbians and maximising cost savings for the citizens of the Province through efficient program delivery.

To these ends, the Government and the Union have reached a tentative three year Master Agreement and a companion Policy Accord. The tentative three year Master Agreement is subject to resolution of component agreements by June 30, 1998 and ratification by the Parties.

The BCGEU and the Public Service Employee Relations Commission (PSERC) have negotiated a new Master Agreement which addresses issues of mutual concern. Its key elements are:

- A three year agreement expiring on March 30, 2001
- A two per cent wage increase on April 2, 2000
- A one time $200 efficiency gain payment January 1, 2000
- Employment security for regular employees
- A continued commitment to future gainsharing initiatives
- Equity adjustments

The BCGEU and the Government of British Columbia have reached a Policy Accord which addresses issues of general policy interest and of special concern to union members. The key elements of the Policy Accord are:

- Pension plan amendments which will result employees being able to retire under a rule of 85 with an unreduced pension after April 1, 2000
- A 1% employee pension contribution reduction from November 29, 1998 to April 1, 2000
- A method for identifying potential improvements and efficiencies in the public service, including a review process to ensure that contracted work is cost effective and in the public interest

The Policy Accord and the Collective Agreement changes represent a major step forward in providing a stronger, more efficient public service while improving the conditions of work of BCGEU members

Public Sector Accord With Government Employees

I. Public Service Pension Plan Amendments

The Pension Sub-committee recommends to their respective principals the attached Pension Plan amendments. Should the principals concur with these recommendations, a joint recommendation will be made to Government to amend the *Pension (Public Service) Act* accordingly.

1. Principle

The parties recognize the importance of creating new work opportunities for youth in the Province. Allowing employees to retire with the potential for an unreduced pension should encourage earlier retirement and free up job opportunities for youth.

2. Whereas:

- The Public Service Pension Plan is in surplus and funds are therefore available for an improved retirement benefit;
- The pension surplus is attributable to good return on investment, low inflation, and low salary increases and employees should receive some benefit from their contributions to the plans financial well-being;
- It is anticipated the pension plan will not be at risk by using the surplus to fund the benefit formula change;
- Changes are to be made to pensioner benefits, in keeping with other public sector pension plans, which will help fund the rule of 85 change;
- An earlier retirement provision will assist government in creating new work opportunities for youth in the province, provide promotional opportunities within government and contribute to a renewal of the public service; and

3. Recommendations

The parties agree to recommend to government a change from the age and service rule of 90 for an unreduced pension to 85 effective April 1, 2000.

In consideration of this change the parties agree to:

- Pro-rate benefits for public service plan pensioners as follows effective January 1, 1999.

100%	10 years or more
80%	8 years to under 10 years
60%	6 years to under 8 years
40%	4 years to under 6 years
20%	2 years to under 4 years
0%	Under 2 years

- Former employees who are on pension, paid absence prior to retirement or have opted for a vested deferred pension prior to the effective date of the above pro-ration of benefits, shall be entitled to 100% of paid benefits subject to current pension plan rules. Active employees will be governed by the rules in effect at the time they terminate or go to pension.
- Amend the survivor pension benefit under the Public Service Pension Plan as recommended by the benefits committee to the Public Service Pension Advisory Board by October 1, 1999 but no later than April 1, 2000.
- Amend the disability pension benefit to be compliant with the *Income Tax Act* including the medical criteria for disability used in that *Act*. Employees eligible for coverage under the Public Service Long Term Disability Plan will not be eligible for the disability provision in the *Pension (Public Service) Act* by October 1, 1999 but no later than April 1, 2000.
- Eliminate the death benefit payment under the Public Service Pension Plan effective the date of signing of the collective agreement.
- When an employee opts to purchase pensionable service for leaves without pay, the employer shall pay its contributions for maternity and parental leaves as well as leaves without pay under the *Employment Standards Act* which require the employer to make such pension contributions. Employees who wish to purchase pensionable service for other leaves of absence without pay in excess of 30 calendar days shall pay both the employer and employee contributions. Employees who commenced a leave of absence prior to the date of signing of the collective agreement will not be required to pay the Employer's contribution.

4. Scope of Review

The changes to the age and service formula will apply to employees in the public service bargaining unit as described in Section 4(c) of the *Public Service Labour Relations Act* as represented by the B.C. Government and Service Employees' Union.

5. Funding

The cost of changing to a rule of 85 from a rule of 90 is to be funded from the surplus in the Public Service Pension Plan, as well as the 1% employee contribution reduction from November 29, 1998 until April 1,2000, as specified in Section 8.

6. Early Retirement Incentive Programs

The parties agree it may be necessary to implement a special, time limited, early retirement incentive program to minimize the number of layoffs during periods of labour adjustment. Should such circumstances arise any recommendations would be made pursuant to Section 15.1 of the *Pension (Public Service) Act*.

7. Administration

The parties recognize that changes to pension benefits will require administrative systems changes at Superannuation. The parties agree that since a new computerized pension system is to be implemented in the near future, it would be worthwhile, if necessary, to process pensions using the existing system and pension benefit rules until the new system is operational. Should an employee be entitled to an enhanced pension under the rule of 85 it would be made retro-active to the effective date of implementation of the new rule of 85.

Employees on paid absence prior to retirement would be entitled to a pension under the rule of 85 if they are scheduled to start on pension after the effective date of implementation of the rule of 85.

8. Pension Contribution Reduction

The parties agree to recommend to government an employee contribution reduction of 1% off their current contribution rates to the pension plan, effective November 29, 1998 until April 1, 2000. The new employee rates for this period will be 4.5% to YMPE and 6% over YMPE.

The Union agrees it will support an equivalent Employer contribution reduction to the pension plan.

II. Identification of Operational Efficiencies

The Parties agree to jointly identify operational efficiencies which result in savings to the government. These efficiencies will be identified in consultation with employees and recommended by Ministry Joint Committees to the Minister of Finance and Corporate Relations and applicable Cabinet Minister(s) for implementation. Such savings shall be allocated equally to the government and employees as provided in paragraph #5 below.

(1) Ministry Joint Committees will consider proposals which:

(a) streamline the decision making process within government;
(a) identify redundant work practices and recommend improvements;
(b) enhance the delivery of services to the public in an efficient and cost effective manner;
(c) reduce the requirements of rules, reports and other bureaucratic requirements which contribute to unnecessary administrative work;

(d) advise on the appropriate use of information technology to support public service objectives and assist in efficient work performance; ** (Information Services Steering Committee);
(e) identify contracts for services which can be performed by employees in a more cost effective manner or which are in the public interest to be provided by employees.

(2) The government and the Union recognize the benefits to be derived from the appropriate training of their representatives who participate in this review process. To this end, the parties agree that QUEST training for all Article 29 Committee members and approved working groups will be provided prior to the commencement of the reviews in paragraph (1) above.

(3) Recommendations which Ministry Joint Committees have agreed upon shall be forwarded to a Working Group comprised of two Union Representatives and two Employer representatives, one from the Public Service Employee Relations Commission and one from Treasury Board. The Working Group will review the recommendations and forward a briefing note with their recommendation to the Provincial Steering Committee for a decision.

(4) The Provincial Steering Committee shall be comprised of three Employer representatives and three Union representatives. It will review proposals from the Working Group or issues in dispute at the Ministry Joint Committees which are referred for resolution.

(5) All Ministries, Boards and Agencies covered by this agreement will participate in the joint identification of cost savings. The Deputy Minister or equivalent shall be accountable to the Deputy Minister to the Premier for the achievement of savings as noted above.

(6) For the purposes of paragraph (1) (f) above:

(a) Each Ministry, Board and Agency will provide to the Union, through the Master Agreement Article 29 Committees, a list of contracts to be reviewed. The list will include a brief description of contract content, purpose and dollar value. All information will be kept in strict confidence for purposes of the Committee's use only.

(b) The Committees will review contracts in the following priority:

- individual or groups of contracts of $1,000,000 or more
- individual or groups of contracts of $500,000 or more
- individual or groups of contracts of $50,000 or more
- balance of contracts

(7) The Auditor General, the Public Accounts Committee, the Commission of Inquiry into the Public Service and Public Sector (Korbin) and the B.C. Government and Service Employees' Union (BCGEU) have all expressed the view that the existing FTE system can encourage inefficient personnel management such as contracting out unnecessarily.

Since the purpose of this agreement is to identify savings and efficiencies in the delivery of public services, both parties will focus on the elimination of obstacles to achieving cost savings.

If, following representations from either party, the Auditor General finds that the authorized staff utilization set out in the estimates of revenue and expenditure for that year is an impediment to the achievement of savings and efficiencies in the delivery of public services to the people of British Columbia, the Deputy Minister to the Premier shall recommend to the Premier and Cabinet the deletion of Section 20(6) of the *Financial Administration Act* at the next sitting of the legislature.

III. Other Issues:

1. Union Management Information Services Steering Committee

The Parties recognize that changes in information technology may have a government wide impact on the delivery of the government's information services. To ensure that issues associated with such changes are addressed through a consultative process, the Parties agree to establish the Information Services Steering Commission (ISSC) whose agendas will include but are not limited to consultation on:

- Training
- Employee recruitment and retention
- Effective and consistent communications to related employees and ministry programs
- The development of a strategic plan for government-wide delivery of IT/IM services
- Review of all contracted IT/IM services pursuant to the Memorandum on Identification of Operational Efficiencies.

The Committee will be made up of five representatives of the Employer and five representatives of the Union. The committee may invite the attendance of observer representatives of other employee groups where it feels that the issues being discussed may impact such employees.

The committee will meet as agreed by the Parties.

The committee may, after considering the issues, make recommendations to the bargaining principals and to the Chief Information Officer which will assist to manage change in the information technology area in a consistent manner. It may also make recommendations to Article 29 Joint Committees or to the Workforce Adjustment Steering Committee.

2. Public Service Development Office

The Parties recognize the role the Union can play in the revitalization of the public service and the work of the Public Service Development Office in making organizational improvements.

Accordingly:

- the Deputy Minister to the Premier and the President of the BCGEU will meet at least three times a year to discuss the progress in achieving the Public Service Development Office objectives; and

- the Union will be given the opportunity to second a staff person to the Public Service Development Office for a mutually agreed upon term.

Recommended on Behalf of the
B.C. Government and Service
Employees' Union

John T. Shields
President

Date: June 10, 1998

Recommended on Behalf of the
Government of British Columbia

Tony Penikett
Chief Public Sector Accord Negotiator

Date: June 10, 1998

DRAFT

College, University College, Institute and Agency Support and Technical Staff Accord

I. Preamble

Whereas, BC's College, University College, Institute and Agency System (System) makes a significant contribution to the education, training and career development of the people of British Columbia; and,

Whereas, the Government of British Columbia gives a high priority to strengthening the capacity of the System to provide high quality, accessible and affordable educational services; and,

Whereas, the Government has initiated a comprehensive youth employment program to provide opportunities to young people to enter the labour market and become productive citizens; and,

Whereas, the Government has made an extensive investment in the System and is committed to ensure that the public receives the maximum benefit from this investment; and,

Whereas, support and technical staff in the System make a vital contribution to the efficient and effective operation of the System; and,

Whereas, the ability of the System to provide quality, cost-effective educational services depends on maintaining well trained, highly motivated, well qualified employees; and,

Whereas, 16,000 new student spaces have been created in the System since 1996; and,

Whereas, in the fiscal years 1995-96 to 1997-98 the number of Full Time Equivalent (FTE) support staff was reduced by 35 FTE's system-wide; and,

Whereas, there are indications that employees are confronting increased levels of stress reflected in a higher incidence of occupational illness, sick leave, Employee and Family Assistance Program (EFAP), LTD and WCB usage; and,

Whereas, there may be practical measures which can be implemented to reduce stress related illnesses and improve the working environment to the benefit of employers and employees; and,

Whereas, there may be opportunities to reduce costs and generate savings through joint management of benefits, consolidation of pension plans, improved training programs, and other initiatives to improve the efficiency and fairness of the System;

Therefore, the Parties have entered into this Public Sector Accord (Accord) with the view to strengthening and improving the System through policy initiatives intended to facilitate a better working environment for support staff.

The Parties note that all elements of this Accord have been developed on the basis that they meet the test of being sound public policy in the public interest, as well as addressing the needs of the three Parties involved.

II. Parties to the Accord

The Parties to this Accord are the Unions, represented by the Canadian Union of Public Employees (CUPE) and the British Columbia Government and Service Employees' Union (BCGEU), the Employers, represented by the Post Secondary Employers' Association (PSEA) and the Government of British Columbia (Government), including, specifically, the Ministry of Advanced Education, Training and Technology (MAETT). The Parties recognize that other interests, such as other employee groups, may be affected by provisions within this Accord, and commit that they will consider these interests during the process of implementation.

III. Elements of the Accord

1. A **Pension Plan Review** to assess the advantages/disadvantages of transferring support staff from the Municipal and Public Service Pension Plans to the College Pension Plan (including transition issues and options).

2. **A Review of the Relationship between Stress and Sickness,** in order to achieve a reduction in stress and the incidence of sick leave, EFAP, LTD and WCB usage.

3. A **Training and Professional Development Protocol** to address the training needs of support staff employees and to provide new learning opportunities for this group of employees.

4. **A Joint Benefits Governance and Administration Review** to determine the advantages of a jointly administered benefits trust.

5. **An Accord Implementation Steering Committee** to coordinate Accord committees and deal with disputes regarding the interpretation and application of this Accord.

IV. Pension Plan Review

Objectives of the Pension Plan Review

- Explore the feasibility of a single college sector pension plan to reduce administrative duplication, enhance pension benefits and consolidate legislated requirements within the sector with due consideration to existing pension entitlements and/or benefits.

Employees in the System are currently enrolled in three different pension plans. Faculty and most senior administrative staff belong to the College Pension Plan. Support staff members are predominantly enrolled in the Municipal Pension Plan. However, a small number are members of the Public Service Pension Plan. The existence of three pension plans in the sector creates administrative duplication and is confusing for employees who are often unclear about the specific provisions of the plan in which they are enrolled and who may move from one Plan to another as their employment status changes.

The Parties believe that there may be significant advantages in having all System employees in the same pension plan (i.e. the College Pension Plan). Membership in a common plan would eliminate the need to provide different information to members of each of the plans. It would also reduce the potential for confusion by employees about the specific pension benefits in the plan in which they are enrolled. In addition, the potential for larger surpluses and possible resultant plan improvements is increased.

The Parties recognize that there are significant differences between the College Plan and the Municipal and Public Service Pension Plans. These include, but are not limited to: enrollment requirements and options, contribution levels, early retirement provisions, benefits for survivors and a number of other items, some of which can have a major impact on specific groups of plan members.

The Parties also note that the demographic profile of members in the major plans varies substantially, with support staff generally enrolling in the Municipal Plan at a much earlier age than faculty in the College plan. Because the value of specific plan provisions (such as early retirement with a 90 factor) depends critically on the age at which individual members enroll in their plan, the impact of moving from one plan to another can be very significant.

A recommendation to move support staff to the College Plan, if agreed, would have to be acceptable to the current boards of the Plans. It would have to address a number of significant transition issues. These include: whether some members could continue to retain membership in their current plan; whether, (and how) certain plan entitlements might be transferred; and, whether bridging or other provisions to facilitate such transfers would be needed. And it would have to identify options, which could be pursued.

A preliminary review by an Accord Technical Committee, with the assistance of staff from the Superannuation Commission, has identified major differences and similarities in the Municipal and College Pension Plans. Each has particular strengths in relation to the other, without either being clearly superior. Moreover, the demographics of the employee groups have a profound effect on the value of particular provisions.

On the basis of the preliminary work initiated by the Technical Committee, the Parties agree that further analysis of the College, Municipal and Public Service Pension Plans is warranted. The purpose would be to assess the impact of enrolling support staff members in the College Pension Plan and to make recommendations concerning whether such a change would be desirable.

Accordingly, the Parties shall establish a **Pension Review Committee** with a mandate to examine these issues and report back to the Parties with its findings and recommendations. The Committee shall complete its report by December 31, 2000.

To expedite the work of the new Pension Review Committee, the Accord Technical Committee shall make its research and final report available to the new Committee.

Membership and Operation of Committee

The Pension Review Committee shall be composed of an equal number of representatives of the Unions (4) and the Employers (4) plus a mutually agreed non-voting facilitator and/or consultant. The Committee shall have co-chairs from each side. The co-chairs shall share responsibility for convening meetings and other administrative matters associated with the work of the Committee. The Committee shall meet within 30 days of the ratification of the collective agreement to start the Review.

Because many of the issues to be addressed by the Committee are of a technical and actuarial nature, the Committee shall be empowered to employ a suitable consultant to assist with the Review. Costs of the Committee up to a maximum of $50,000 shall be borne by MAETT. Costs above $50,000 shall be referred to the Implementation Steering Committee.

Consultations With Stakeholders

In carrying out its work, the Committee shall consult with the Boards of the respective pension plans and the Superannuation Commission. It shall also seek to clarify the position of the principals to whom the Boards of the Plans report, to determine whether (and on what conditions) they would support inclusion of support staff in the College Pension Plan.

Report of the Committee

On conclusion of its research, the Committee shall forward its Report to the Minister of Finance with recommendations on any legislative changes which the Committee feels may be needed. (This may include a recommendation to keep the status quo if the Committee believes this is the best option.) Recommendations of the Committee shall also be shared with the Parties so that they can engage in appropriate consultations with their respective members.

V. Review of the Relationship between Stress and the Incidence of Sickness, EFAP, LTD, and WCB Usage

Objectives of the Review

- Carry out a Review, with due regard to confidentiality, of the causes of stress on support staff, focusing on its impact on the incidence of sick leave, EFAP, LTD, and WCB usage.

The Parties recognize that support staff in the System have been coping with rising enrollments, increasing learner expectations, the introduction of new technologies, computer software, communications systems and emerging methods of work.

The Parties believe that these changes, which increase the complexity and volume of employees' work, have resulted in a more stressful work environment – an environment that is adversely affecting employee health, job satisfaction and work performance. They also believe that stress is contributing to higher rates of occupationally related illnesses and is a key factor behind the increasing incidence of sickness, EFAP, LTD, and WCB usage among support staff.

The following are some of the factors, which the Parties believe are contributing to increased levels of stress among support staff:

- Higher student numbers leading to greater demands for assistance, especially in peak periods;
- Limited or no increase in the number of support staff;
- Unprecedented rate of change;
- Increased diversity of students;
- Increased numbers of temporary/auxiliary support staff;
- Increases in the amount of paid and unpaid overtime;
- Increased numbers of students with greater and more diverse learning needs;
- Increased complexity of the workplace (i.e. extended day, off campus delivery, distributed learning);
- Year round programming;
- Increased non-base budget funded activities;
- Absorption of inflationary pressures through increased student numbers;
- Introduction of new technologies and operational practices in shorter time-frames.

Stress related absenteeism and illness is also an issue of concern to the WCB. Higher claims result in increased costs to the System, which are reflected in increased experience ratings (and premiums) for employers. In recent years, the WCB has expanded its efforts to reduce accidents and occupational illnesses through its **Prevention Division**. In other sectors of the economy it has carried out studies, pilot projects and workplace health and safety audits in cooperation with employers and unions. It has also established a number of health and safety agencies to address problems specific to individual sectors.

The Parties believe it is timely - and extremely worthwhile - to examine the causes and potential remedies of workplace stress in the System. They believe this Review should be carried out in cooperation with the WCB. Accordingly, they have agreed to approach the WCB to form a joint committee with representation from PSEA, CUPE, BCGEU and the WCB to explore this matter in greater depth.

This Review will focus on identifying the extent to which stress is a factor in lost time illnesses. It will try to identify positive steps which can be taken to reduce stress, including changes to work organization and working practices as well as measures to mitigate the effects of stress on lost time through: early return to work programs; best practices; and, other approaches. The key elements of the Review are as follows:

1. An institution by institution analysis of sick leave, Short Term Injury and Illness Plan (STIIP), EFAP, LTD, and WCB usage to provide a database for the Review.
2. Adoption of an appropriate methodology for determining linkages between stress and lost time.
3. Development of options which could be adopted to reduce stress related absenteeism and provide employees with a less stressful work environment.
4. Identification of best practices in this area.

Oversight of Review

The Review shall be overseen by the Joint Stress Review Committee composed of an equal number of representatives of the Unions and the Employers. In cooperation with the WCB, the Committee shall develop detailed terms of reference, making use of the WCB's staff or qualified consultants. All Committee member costs of participating in the Review shall be covered by the Review's budget.

Funding

The Parties have requested the WCB to provide funding and technical support for the Review. The President of the WCB has responded and his letter is attached as Appendix A.

Timelines for the Review

The Joint Stress Review Committee shall meet within 60 days of the ratification of collective agreements to start work on the Review. The Review shall be planned and carried out in a timely manner with a final report to be provided to the Parties by April 1, 2001 and interim progress reports as determined by the Parties.

Report of the Review

On conclusion of the final report, the Parties shall meet to review it and to discuss any specific actions which may be recommended, and to seek agreement with the WCB on any measures which can be funded within the mandate of its prevention programs.

In addition to reviewing sectoral level findings and/or recommendations, the Parties would also examine the Report in terms of its application to each institution. Implementation of the recommendations shall be mutually agreed at the local level.

VI. Training and Professional Development Protocol

Objectives

- Ensure that the System remains on the leading edge in the application and implementation of technology in the workplace;
- Improve the ability of support staff to apply and implement technology;
- Prepare individuals for new work opportunities within an ever changing institutional environment;
- Strengthen the orientation, training and professional development programs for support staff;
- Achieve higher levels of job satisfaction;
- Reduce the level of stress by providing appropriate and adequate training;
- Develop a co-operative, union-management partnership to enhance current and future employment opportunities for the system's support and technical staff;
- Promote equitable access to training and professional development opportunities within the system; and,
- Develop professional development strategies to meet the future skill requirements of the system and avoid shortages of trained personnel in coming years.

Background

The Parties believe that the requirement for enhanced training is a major issue in the System and that a cooperative approach to addressing emerging training needs is the most effective way to move forward. Changes in technology, work organization, programs, student needs and institutional requirements underline the need for improved training programs. Adequate training is vital to ensure that new technologies and computer

programs are utilized in a manner that takes full advantage of their potential. Training is also necessary to provide support staff with the tools to complete their work efficiently and effectively, and to enhance their opportunities for career change or career progression.

Use of technology has accelerated within the System during the past decade. New systems technology, computer applications and personal computers have been introduced into almost every area of operations. It is no longer sufficient for employees to learn a specific application or program; increasingly, the challenge is to remain current in the context of constant upgrades to software, the introduction of new hardware and the implementation of new technology systems, all of which are occurring at an accelerating pace. In this Accord, the scope of "technology training" applies to all tasks and duties that incorporate technology in the fulfillment of those responsibilities in support of institutional and System processes.

Training is not only desirable to improve system efficiency: it provides important benefits to employees. It enables them to cope more readily with changing technologies and work organization. It reduces stress by giving them the tools to do their work. It facilitates higher levels of job satisfaction by providing employees with new skills and expertise. It strengthens morale and organizational involvement/commitment by providing opportunities for professional development and mobility by opening doors for support staff within the System.

The Parties recognize that changes in the operations and programs of an institution can make certain skill sets, classifications and positions redundant. At the same time, new positions requiring other types of skills and qualifications are being created. Where institutions are aware, in advance, of such changes, the Parties believe that existing employees should have access to suitable retraining to enable them to qualify for alternate work, thus minimizing the need for lay-offs.

Although individual institutions and their local unions are involved in a variety of training arrangements, the Parties believe there is also a need for a system-wide approach, which would establish "best practices" templates and protocols to be shared across the System. This "two-tier" approach would enable individual institutions to carry out local needs assessments and put in place appropriate training for their specific situations, while creating a broader, sector-wide framework to focus on system-wide training issues.

The Parties recognize that successful implementation of a system-wide training model will require a joint commitment to a cooperative, consultative and problem-solving approach at a local level.

The local parties will mutually identify training requirements, propose training solutions, develop institutional plans and approve individual training plans. The local parties will cooperate in the implementation of this part of the Accord and minimize any adverse effects. Training initiatives that should be addressed at the System level shall be referred to the Implementation Steering Committee (ISC).

Government will review sources of potential funding and coordinate with its ministries and agencies to ensure that their support is available to the process.

The following is a list of principles to be followed regarding the provision of training opportunities, as identified by the Parties:

- Training plans jointly developed by the employer and the union at each institution that support the mission and purpose of institutions and the System;
- Training opportunities advertised in a way that ensures employee awareness;
- Flexible scheduling of training opportunities to maximize support staff access;
- Replacement of staff members attending training programs;
- Development of long-term training plans for support staff in each institution;
- Development of a System-wide registry of training opportunities of a week's duration or longer; and,
- Establishment of procedures to ensure fair and equitable access to training opportunities for staff, with due consideration for seniority.

The following is a list of training requirements identified by the Parties:

Orientation

- Initial job orientation/training for new employees or employees accepting new duties and responsibilities, including orientation to the System;
- Training for temporary and auxiliary employees to their institution and duties;
- Orientation of support staff for emerging technology needs of the institutions; and,
- Development of clear and concise training manuals.

Technology Training

- Technology-related training that supports the mission and purpose of the respective institutions and the broader System;
- Technology training activities made available under the Accord shall be those that require more than just superficial training; and,
- Computer software and related technology training/upgrading for all employees based on software used and needs of the institution.

Professional Development

- Training to enable employees to upgrade skills to change or advance their careers within the System.

Additional Factors Impacting Training Needs

The Parties recognize the need to enhance the training and career opportunities for support staff members consistent with the objectives and principles described in this

Accord.

Training is of particular relevance in the context of the System, given its educational mandate. To fulfill its mandate, the System has grown rapidly over the last several years in direct response to the Ministry's "Access Goals" outlined in Charting a New Course. Because of economic contingencies, the Task Force Report on Critical Issues in Financing British Columbia's College and Institutes System published in October 1997, found that:

> "The college and institute system has exhausted its capacity to deliver further economies; institutional based responses to government's operating funding decisions can no longer cope with the size of the challenge."

In fact, in most institutions, more students were served in the years that followed and this service was often provided without an increase in employee numbers as a result of funding constraints.

Institutions will undertake an analysis of workplace practices that will include a review of operational practices, work methods and business practices in areas that provide administrative, technical, maintenance, instructional and student support service.

Utilizing a template developed by the Implementation Steering Committee, the Parties at the local level will jointly develop and approve the Terms of Reference for the institutional analysis. This analysis will produce recommendations for improvements in these practices, where appropriate and develop plans for related training and career development, with the overall goal of improving employee morale, job satisfaction and productivity. The report and recommendations flowing from the institutional analysis shall be forwarded to the ISC for review and recommendation to the Government as appropriate.

Professional Development Fund (PDF)

The Parties agree that in addition to existing local/institutional training/career development funds, practices and collective agreement provisions, they will establish an ongoing Professional Development Fund. The Fund will be phased in over two years upon the completion of the workplace analysis. The workplace analysis, to be undertaken by the local parties, will be completed by March 31, 2001. Effective April 1, 2001, the Ministry will provide institutions a grant of 0.25% of the annual support staff payroll. In addition, institutions will allocate to the PDF, 0.25% of the annual support staff payroll. Effective April 1, 2002, the Ministry will provide a further grant of 0.5% of the annual support staff payroll.

The PDF grants will be ongoing and will become part of the funding formula. The Parties agree to develop a funding mechanism through the work of the Joint Committee on Funding to support opportunities for training and professional development.

The Parties agree to establish a phased-in Professional Development Fund of 1% of total annual support staff payroll (effective April 1, 2000 - 0.5%; effective April 1, 2001 and thereafter - 1%). It is agreed that 0.25% will be contributed by the institutions and 0.75% will be funded by the Ministry which will be in addition to current local/institutional training/career development funds, practices and current collective agreement provisions. These contributions shall be allocated and implemented on a local basis in accordance with locally agreed terms of reference to enable employees to upgrade skills that enhance and/or advance their careers within the system.

VII. Joint Benefits Governance and Administration Review

Objectives of the Review

- Determine the advantages of a jointly administered benefits trust for system employees; and,

- If a trust is established, savings and surpluses would go first to improve benefits for employees.

The Parties will review the issue of employee benefits governance and administration in the context of a proposal to establish a Joint Benefits Trust. The purpose of the Trust would be to oversee the purchasing, management and administration of benefits across the Sector. The Review will be guided by the following principles:

- Participation of all System institutions in a Joint Benefits Trust
- Establishment of a legal Trust to govern benefits purchasing and administration
- Equal representation by unions and employers on the Trust
- Savings and surpluses to be used to improve employee benefits
- Benefits and benefit levels to be established through collective bargaining
- No reduction of employee benefit levels

The Parties recognize that another process involving co-management of benefits for faculty has already been put in place through the establishment of a Joint Committee on Benefits Administration and that this other process can provide a vehicle to examine the advantages/disadvantages of establishing a Joint Benefits Trust.

Accordingly, the Parties have agreed that the unions representing support staff shall join the discussions of the Joint Committee on Benefits Administration and that this Committee shall be asked to review the feasibility of moving to a jointly trusteed model of benefits governance. The Parties agree to complete the review by October 31, 2000 and will then take the appropriate steps to establish the Trust.

On establishment of the Joint Benefits Trust, the Parties further agree that any savings arising from consolidation of purchasing, reduction of administrative costs, returns on investments and surpluses shall be allocated first to improving the benefits of employees in the sector and to repaying the Government loan described below.

The Parties agree that the Joint Benefits Trust shall be based on a sound business plan.

The Parties agree that benefits and benefit levels will be determined through collective bargaining.

The Parties agree that the Joint Benefits Trust will consider the development of local benefits administration, disability management, rehabilitation and return to work programs and the rationalization of the relationship between sick leave, STIIP and LTD described below.

To facilitate the establishment of STIIP and LTD benefits described below, the Government shall provide to the Trust (or to PSEA, in trust, until the Joint Benefits Trust is established) an accountable advance, or loan, of 1% of payroll each year during the term of the collective agreement. Repayment of the loan shall be negotiated between the Trust and the Government.

In recognition of potential long-term future savings and surpluses, the Employers agree to transfer the premium cost of LTD (at existing benefit levels) from employees to employers at North Island College, Malaspina University College, Camosun College, College of the Rockies, University College of the Cariboo (at 66 2/3% of salary), Kwantlen University College and Douglas College, effective April 30th, 2000. In addition, a mutually agreed Short Term Injury and Illness Plan (STIIP) will be implemented at Kwantlen University College and Douglas College to be effective after the expiry of the current 30-day sick leave provision in order to bridge the period until the LTD plan is triggered at 26 weeks. The premium cost of STIIP at Kwantlen, Douglas and the current STIIP at the University College of the Cariboo and North Island College shall be paid by the employer, effective April 30th, 2000.

Institutions and unions not party to the Support Staff Common Table may opt to participate in this program, subject to the same sick leave (30 days), STIIP (26 weeks) and LTD provisions.

VIII. Accord Implementation and Implementation Steering Committee.

The Parties agree to establish an Implementation Steering Committee. The Committee shall be composed of four (4) representatives of the Employers and four (4) representatives of the Unions [two (2) from BCGEU and two (2) from CUPE]. The Employers and Unions shall each have one vote. The Committee shall be chaired by a representative of the Ministry of Advanced Education Technology and Training who shall be non-voting.

The Implementation Steering Committee shall meet within 30 days of the ratification of the collective agreements covering support and technical staff employees included in the Support Staff Common Table bargaining.

The Implementation Steering Committee shall be responsible for establishing its terms of reference consistent with the spirit and intent of this Accord.

The Implementation Steering Committee shall coordinate the efforts of the various Accord Committees and receive their progress reports.

Costs for participating in the Implementation Steering Committee shall be borne by the respective Parties. Union participants shall suffer no loss in pay.

Disputes regarding the interpretation, application or alleged violation of this Accord, or any agreement emanating from it, shall be referred by one of the Parties to this Accord to the Implementation Steering Committee which shall be responsible for establishing a mutually agreed process for resolving disputes as one of its initial responsibilities.

As a last resort, the agreed process will include referral to a mutually agreed mediator/arbitrator, for those issues pertaining specifically to the following areas of the Accord:

1. Access to data related to the Review of the Relationship between Stress and Sickness

2. Development of final recommendations of the Joint Stress Review Committee Report.

3. Development of the provincial template for the establishment of the Professional Development Fund, the fit of locally developed Terms of Reference to this template and allocation of PDF to the local level.

4. Implementation issues arising out of the establishment of a Joint Benefits Trust for the System.

This Accord shall come into effect on ratification of collective agreements for the parties at the common table.

The Parties agree that access to the provisions of this Accord is available to all institutions and unions that have ratified Support Staff Collective Agreements, where both local parties agree.

Recommended on behalf of the Canadian Union of Public Employees

Donn Stanley,
National Representative

Date:

Recommended on behalf of the British Columbia
Government and Service Employees' Union

George Heyman,
President

Date:

Barbara Offen,
Staff Representative, Coordinated Bargaining

Date:

Recommended on behalf of the Post Secondary Employers' Association

Leo Perra,
Chair, Employers' Steering Committee

Date:

Recommended on behalf of the Government of British Columbia

Tony Penikett,
Chief Public Sector Accord Negotiator

Date:

Public Sector Accord to Establish a Successorship Policy for the Contracted Social Services Sector Through the Government Contract Tendering Process

A. Preamble

Whereas in order to maximize continuity of services to clients, minimize the impact on individual employees, minimize the cost of contract changes and provide for an orderly transition from contractor to contractor, and to address Union certification and jurisdiction issues, a coordinated process of proactive consultation and issue resolution is required; and,

whereas the interests of employers in the sector require that the application of the principle of successorship must be managed in a manner which is simple, clearly understood and without undue administrative burden; and,

whereas it is recognized that services contracted by the Ministry of Children and Families, or other Ministries, in the community social services sector are not captured under Section 35 of the *BC Labour Relations Code* - Successor Rights and Obligations when a contract changes hands, transfers, and/or is re-tendered; therefore,

the Parties have entered into this Public Sector Accord (Accord) to provide standard criteria to be used when contracting with service providers that allow for an orderly transition from contractor to contractor and that address Union certification and jurisdiction issues.

B. Parties to the Accord

The Parties to this Accord (Parties) are:

The Government of the Province of British Columbia (Government), and

The BC Government and Service Employees' Union (BCGEU), the Canadian Union of Public Employees (CUPE), the Hospital Employees' Union (HEU) and the Health Sciences Association (HSA) [Unions].

The Parties recognize that other organizations and individuals have a legitimate interest in facilitating an orderly transition from contractor to contractor. These include: employers entering into a contract with the Ministry, clients and employees. The Parties agree that there shall be a dispute resolution mechanism to resolve these issues or disputes arising from this Accord.

The Parties recognize the commitment of the Ministry of Children and Families to have services for Aboriginal people provided by Aboriginal agencies. The Parties also recognize that the complex interaction between Aboriginal issues and labour relations require careful consideration. Therefore, the Government (PSEC) will facilitate a consultative process involving the BC Federation of Labour and representative provincial Aboriginal organizations to address these issues immediately following ratification of collective agreements in the community social services sector.

C. Elements of the Accord

1. A commitment by the Government to ensure, when entering into a contract for services with a New Agency, that where the New Agency is providing substantially the same service provided by a Former Agency, it will agree to recognize the Union as the bargaining agent for the employees and will agree to be bound by the collective agreement, subject to the other provisions of this Accord.

2. A commitment by the Government to a policy that requires the provisions of the Accord to be applied in any Request for Proposal, tendering document or their equivalent and/or any contract entered into without a competitive process.

3. An agreement that where a New Agency contracts with one, or more, ministries to provide two, or more, services with employees with differing terms and conditions of employment, the melding of these terms and conditions shall be subject to negotiation within a framework of cost neutrality.

4. Establishment of a process for the resolution of union certification and jurisdiction issues that may arise as a result of contracts between the Ministry(s) and a New Agency(s).

5. An agreement by the Parties that guidelines for the transfer of employees will be consistent with the principle of employment continuity. Any Ministry with a new or revised contract in the community social services sector shall require as a term of a new, or revised, contract that the New Agency will offer employment to all regular full-time and part-time employees of the Former Agency, providing substantially the same service, subject to staffing requirements, ability to do the job and regulatory requirements. Casual employees of the Former Agency who have three years service, or 2400 hours worked, will also be offered employment by the New Agency.

6. Establishment of a Joint Steering Committee as described in Section E below for the resolution of issues arising from this Accord.

D. Union Certification and Jurisdiction

1. This Accord will apply when a Ministry and a New Agency enter into a contract for services, including an agreement in principle, and where the New Agency is providing substantially the same services that were provided by a Former Agency.

2. The New Agency shall agree to recognize a Union's successorship status, subject to point three (3) below, where bargaining unit employees who previously performed substantially the same services within the Former Agency and who were represented by the Union at the Former Agency immediately prior to having substantially the same services assumed by the New Agency.

3. More than one bargaining unit per Employer is only permissible within this Accord where those employees are working in a discreet and separate location or work site and/or where the services provided are separate and discrete from those provided by other employees of the New Agency. Where not otherwise resolved, the Parties further accept the principle of employee choice as it relates to Union certification and representation.

4. In order to avoid any potential misunderstanding or disagreement, the Parties agree not to apply for representation votes pursuant to Section 35 of the B.C. *Labour Relations Code*.

5. In order to avoid any potential misunderstanding or disagreement, the Ministry, in relation to the Former Agency and/or New Agency is not a common Employer nor is the Ministry the true Employer as defined in the *Labour Relations Code*, due to the application of this policy.

6. Where the New Agency's service contracts result in a mixture of terms and conditions of employment for employees, the terms and conditions each employee previously had at the Former Agency, shall continue to apply until such time as they are melded through future negotiations, a determination by the Joint Steering Committee (described in Section E below) or collective bargaining. Exceptions may involve health and welfare benefits and pensions, where the employee may receive the amount of money in lieu of the employer's share of the cost of the premium and/or pension plan they previously had at the Former Agency.

7. Except as varied by this Agreement, the principles and jurisprudence established pursuant to the *B.C. Labor Relations Code* and the B.C. Labor Relations Board applies to the determination of representation rights, appropriate bargaining units, and collective agreement application.

8. The Parties agree that the implementation of the successorship provisions under this Accord shall be managed in a cost neutral manner.

9. When unionized contracts are re-tendered, the funding Ministry shall append the collective agreement to the tender documents. The tender shall indicate that the successful bidder (New Agency) shall be required to recognize the union and its bargaining unit, take over the obligations of the collective agreement and accept the employees, subject to the terms set out elsewhere in this Accord. In preparing the tender documents, the Ministry shall advise the bidder that there may be outstanding obligations related to the collective agreement. It shall also provide prospective bidders, on request, with the name of the union representative to enable bidders to clarify any issues of concern to them.

10. To facilitate the ability of funding Ministries to implement the obligations established in section D - 9 above, the Unions shall undertake to supply the Ministries with copies of the most recent collective agreements.

11. The New Agency shall, as a condition of the contract, participate in the disputes resolution process established by this Accord.

E. Dispute Resolution

1. The Government shall facilitate the establishment of the Joint Steering Committee (JSC) to assist Employers (particularly New Agencies) and Unions to resolve issues arising out of the application of this Accord.

2. Disputes about the interpretation, application or alleged violation of this Accord, or any agreement emanating from it, shall be referred to the Joint Steering Committee.

3. The JSC will be comprised of equal representation from the Employers and the Unions. The members of the JSC will jointly appoint Vince Ready, or a mutually agreed alternative, as Chair to act as mediator/arbitrator.

4. The Parties agree that solutions to issues arising out of the application of this Accord are most appropriately solved at the local level. Therefore the New Agency and local Union representatives shall meet in an attempt to resolve issues prior to the JSC.

5. The Chair shall have jurisdiction to resolve issues or disputes arising from the interpretation, implementation and application of this Accord, as it directly relates to the following areas:

- Appropriate bargaining units
- Union Representation
- Seniority
- Exclusions
- Melding terms and conditions of employment in an efficient manner
- Transfer of employees from the Former Agency to the New Agency
- Conflict of this Accord with collective agreement provisions
- Circumstances where individual inequities or apparent unfairness exists such that variations to this Accord may be appropriate

6. The Unions and the Employers shall share the costs of the JSC and the costs of the mediator/arbitrator on an equal basis.

F. Implementation and Term

1. The Accord shall come into force on ratification of the collective agreements between the Unions and Employers and shall remain in force through the life of the collective agreements.

G. Definitions

Former Agency: means an agency (Employer) which provided services pursuant to a contract with the Ministry immediately before formation of the contract between the Ministry and the New Agency.

New Agency: means an agency (Employer) which will be providing services pursuant to a contract with the Ministry and may include a Former Agency.

Recommended on Behalf of the BCGEU

Cliff Andstein, Provincial Negotiator — Date: 5/29/99

Recommended on Behalf of CUPE

Bill Harper, National Representative — Date: May 29/99

Recommended on Behalf of HSA

Julio Trujillo, Negotiator — Date: May 29/99

Recommended on Behalf of HEU

Juli Rees, Negotiator — Date: May 28, 99

Recommended on Behalf of the Ministry of Children and Families

Mike Corbeil, Deputy Minister — Date

Recommended on Behalf of the Government of BC

Tony Penikett, Chief Public Sector Accord Negotiator — Date: May 29, 1999

Public Sector Accord
on
Preventing Violence in the Workplace

I. Preamble:

Whereas community social services employees, employers, unions, clients, the Ministry of Children and Families and the public recognize that violence is a serious concern in the contracted community social services sector and share an interest in taking measures to reduce the incidence of violence and make the workplace safer for employees and clients; and,

whereas, in recent years, the BC Workers' Compensation Board has also acknowledged the importance of this issue by developing regulations and guidelines designed to reduce the incidence of violence in workplaces across the Province; and,

whereas, there is a clear need for more detailed research on the nature of the problem in the contracted community social services sector; and,

whereas there is a need for the development of a sector specific workplan to address the problem of violence, including guidelines, protocols and training modules to assist in dealing with this problem; and,

whereas the Parties agree that it is desirable to work together to find solutions to this issue; therefore,

The Parties have agreed to this Public Sector Accord to put in place a program to address the problem of violence in the community social services sector

II. Parties

The Parties to this Accord are:

The BC Government and Service Employees' Union (BCGEU), the Canadian Union of Public Employees (CUPE), the Hospital Employees' Union (HEU) and the Health Sciences Association (HSA) [Unions];

The Community Social Services Employers' Association (CSSEA);

The Government of the Province of British Columbia (Government), including its Ministries.

The Parties recognize that other organizations and individuals have a legitimate interest in measures to reduce the incidence of violence in the sector and commit that they will work with these organizations and individuals to achieve this objective.

III. Elements of the Accord

1. A review of the legal requirements, WCB regulation, guidelines, protocols, established practices, training and other measures to reduce violence which are now in place in the in the sector.

2. Development of sample survey of community social services employers and employees to obtain a more detailed profile of the types of violent incidents and situations which face community social service employees.

3. Consultations with the WCB and other Government Ministries and Agencies with the view to improving the collection of data on violence in the sector, including data which will facilitate assessment of the effectiveness of measures introduced to reduce, or eliminate, violence.

4. Identification of specific measures to reduce incidence of violence, including the establishment, where required, of new or revised guidelines and protocols. These shall be made available to employees and employers in the sector.

5. Examination of the feasibility of developing training modules to assist employers and employees.

6. Establishment of co-operative relationships with other Ministries, Agencies, the WCB and other organizations which share the objectives of this Accord, including developing proposals which these organizations may be prepared to support financially

IV Establishment of the Working Committee

To facilitate the objectives noted above the Parties have agreed that within 60 days of the signing of this Accord, they will establish a Working Committee composed of 4 representatives of the Unions, 2 representatives of CSSEA and 2 representatives of the Ministry of Children and Families. The Committee's mandate shall be to finalize a workplan within the following 90 days, which shall incorporate the preceding elements.

The Parties recognize that the BC Workers' Compensation Board can play a very important role in assisting in the achievement of the objectives of this Accord, given its legal responsibilities and technical resources. Accordingly, the Committee shall approach the WCB to request technical, organizational and financial assistance in developing and implementing the various elements of the workplan. If the WCB elects to provide financial support for the project, it shall be offered non-voting status on the Committee.

The parties also recognize that other funding Ministries - and particularly the Ministry of Women's Equality - have an interest in this issue and shall invite representatives of these Ministries to attend meetings and fund projects in which they have a substantive interest.

V. Implementation

In order to ensure that the project has the resources to carry out its work, the Ministry of Children and Families shall provide $100,000 each year, over a 3 year period corresponding to the term of the collective agreement to support the initial work of the Committee. This funding shall cover the research and other work of the Committee, including reasonable expenditures of Committee members, including wages for lay members (i.e. members who are not staff of the Unions, Employers or the Ministry). Expenditures shall be audited.

The Ministry of Children and Families shall initiate the first meeting of the Working Committee. The Committee shall be co-chaired by the Union and CSSEA.

The Committee shall produce an interim report of its activities at the end of the first year of operation and reports in each subsequent year.

The Accord shall come into force on ratification of collective agreements in the sector.

Recommended on Behalf of the BCGEU

Cliff Andstein, Provincial Negotiator — Date: 5/29/99

Recommended on Behalf of CUPE

Bill Harper, National Representative — Date: May 20/99

Recommended on Behalf of HSA

Julio Trujillo — Date: May 29/98

Recommended on Behalf of HEU

Juli Rees, Representative — Date: May 29, 99

Recommended on Behalf of CSSEA

John Neilson, Executive Director*
*subject to CSSEA Board Approval — Date: May 28, 1999

Recommended on Behalf of the Ministry of Children and Families

Mike Corbeil, Deputy Minister — Date

Recommended on Behalf of the Government of BC

Tony Penikett, Chief Public Sector Accord Negotiator — Date: May 28, 1999

A Public Sector Accord to Establish a Community Social Services Joint Benefits Trust

I. Preamble

Whereas the Government of British Columbia, the Canadian Union of Public Employees and the Community Social Services Employers' Association recognize the need to rationalise the delivery of employee benefits in the community social services sector to achieve economies for taxpayers, employers and employees; and,

whereas the *Commission of Inquiry into the Public Service and Public Sector* (Korbin Commission) identified the potential for major savings across the broader public sector through pooling purchasing and consolidating the management and administration of benefits; and,

whereas there is considerable evidence from Korbin and other sources that the current benefits system (in which more than 680 employers are individually responsible for benefits purchasing and administration) makes it very difficult for employers and employees to obtain optimal value for the money allocated to benefits due to high overhead costs, administrative duplication, restricted opportunities to share expertise, absence of economies to scale, inability to pool risk, fragmented service delivery and other barriers to efficiency; and,

whereas there is a major public interest in ensuring that the public funds allocated to this sector are spent in the most cost effective manner; and,

whereas the active involvement of employees and their representatives working co-operatively with employers in the administration of benefits has the potential to improve the overall delivery of this service to the advantage of employees, employers and the Government; and,

whereas the active involvement of employees and their representatives can contribute to improved labour relations in the sector; and,

whereas the Korbin Commission recommended joint trusteeship as the most appropriate model for the governance of benefits in the broader public sector in BC;

therefore, the Parties have entered into this public sector accord to implement a province-wide, jointly trusteed benefits trust for the community social services sector. The trust shall be called the Community Social Services Joint Benefits Trust (CCSJBT).

II. Parties to the Accord

The Parties to this Accord (Parties) are:

- the Canadian Union of Public Employees (CUPE) and other signatory unions
- the Community Social Service Employers' Association (CSSEA)
- the Government of British Columbia.

The Parties recognize that other parties have a legitimate interest in the purchasing, management and administration of benefits. These include other employers, funding agencies and unions in the sector. The Parties agree that the trust shall be structured and administered in a manner which gives appropriate consideration to these interests.

III. Elements of the Accord

The key elements of this accord are as follows:

- a province-wide employee benefits trust open to all community social service employers and their employees (excluding individual contractors) who are funded primarily by the Government of BC and its funding agencies;
- A commitment by CSSEA and CUPE that the issue of enrolment of employers/employees shall be addressed in good faith at the bargaining table, taking into consideration the economic and administrative advantages of enrolling the maximum number of employers/employees in the trust;
- A commitment by the Government to ask Ministries to develop policies which will encourage employers to use the trust;
- governance of the benefits plans through a jointly trusteed benefits trust;
- equal representation on the trust by representatives of unions and employers;
- a commitment to use the economies, savings and surpluses generated by the trust to improve employee benefits until such time that the benefits levels in this sector are equivalent to those in the community health sector. Thereafter, the disposition of these savings shall be a matter to be decided by the trustees and may be shared as they see fit between employers and employees;
- An agreement that employers and unions shall negotiate the types and levels of benefits through the collective bargaining process (i.e. not a 'one size fits all' approach, but rather one which allows employers/unions to tailor benefits to their priorities).

It is recognised that reconfiguring the existing CSSEA trust to a jointly trusteed model is the simplest and most desirable method of implementing these Accord elements.

IV. Public Policy Rationale for the Accord:

This accord seeks to implement the recommendations of the Korbin Commission on benefits issues. It is designed to build on the significant efforts already undertaken by the CSSEA trust and CUPE to pool benefits purchasing and administration, thereby achieving savings for taxpayers, employers and employees. More specifically, the Accord will promote a number of public policy objectives:

1) Fiscal Responsibility/Savings for Taxpayers, Employers and Employees:

A key objective is to achieve substantial savings by pooling benefits purchasing and administration through a sector-wide group benefits trust. Currently, less than 10 percent of employees in the sector are able to take advantage of the economies achieved through the CSSEA trust. Expanding the number of employees covered provides an opportunity to achieve significant sector-wide economies and savings from pooling benefits purchasing, eliminating administrative overlap, strengthening in-house expertise, using consultants in a more cost effective way, reducing other overheads and taking advantage of the opportunities associated with self-insurance and in-house control of investments. As Korbin noted, the large number of very small employers in this sector leads to relatively high administrative costs per dollar of benefits provided. Consequently, the scope for savings is quite substantial, a view confirmed by savings already achieved by the CSSEA trust. In a period of tight fiscal restraint it is essential that every dollar allocated to benefits is spent wisely and effectively.

2) Low Wage Redress:

One of the policy objectives of the Government has been to reduce the compensation gap between the social service sector and other parts of the public sector over time. A majority of social service workers are women and among the lowest-paid public sector employees. This accord provides an opportunity to use savings and returns on accumulated investment surpluses to extend and improve benefits to low wage earners at no additional cost to employers or taxpayers.

3) Enhanced Labour Relations in the Social Services Sector:

A jointly trusteed benefits trust will provide a vehicle for employers and unions to work together for the benefit of all employees in the sector. Joint trusteeship will provide an opportunity for employers and unions to achieve a better understanding of the complex issues involved in benefits administration and to make more informed decisions with respect to benefit options. It will also give employers and unions the ability to ensure that the money they allocate to benefits is spent in the

most prudent and effective manner. A joint approach can also facilitate implementation of pro-active rehabilitation programs which have the objective of returning disabled employees to productive work at the earliest possible opportunity. Finally, joint trusteeship is an excellent tool for relationship building between employers and unions because it enables them to work together on an issue of common interest.

4) Financial Control and Greater Stability in Planning Benefits Expenditures

Pooling purchasing, administration and benefits expertise will reduce the risks facing smaller employers obtaining benefits in a complex insurance market in which they may have limited information about costs and alternatives - a market in which they pay a premium to minimise their risks. Pooling also provides the opportunity, through spreading risk more widely, to consider options such as self-insurance. This, in turn, opens the door to establishing investment reserves which generate surpluses. Over the long term it will also enable employers and employees to control the allocation of surpluses generated within the sector, providing a cushion against unforeseen cost increases. Greater control can also enhance their ability to structure benefits in a manner which most effectively meets their needs.

5) Better Managed LTD-Related Services:

Establishment of the CSSJBT will provide employers and unions with the ability to offer new, or enhanced, services such as early return to work initiatives and rehabilitation programs which assist employees to recover more quickly in a supportive, effective and economic manner. The trust would be able to explore providing a range of rehabilitative services such as: physical rehabilitation; psychological support and counselling; vocational evaluation and assessment; career counselling; work site assessment; graduated and return to work programs; job exploration and development workshops; and rehabilitation employment opportunities. These activities were recommended by Korbin as an important supplement to benefits reforms.

6) Socially Responsible Decision Making:

In keeping with established fiduciary obligations, joint trusteeship will enable representatives of plan members to set policies and investment guidelines which take into consideration the economic and social needs of BC.

7) Greater Accountability For Public Expenditures on Benefits:

The current decentralised, fragmented system makes it extremely difficult for Government to assess whether employers and employees are getting good value

for the money they allocate to benefits. A sector-wide benefits trust will have the capacity to collect data on benefits usage and costs. In addition, a jointly trusteed plan will provide better, more transparent accountability mechanisms through requiring benefits administrators to be accountable to the trust members (e.g. regular status reports, the disclosure of financial information and consultation with sponsoring organizations). By providing data not currently available, the trust will also be able to facilitate improved analysis of benefits options and hence assist in obtaining better value for the resources expended.

VI. A Framework for the Co-operative Management of the Trust

A trust document establishing the Community Social Services Joint Benefits Trust shall be prepared for final ratification by the Parties to this Accord. Preparation of the trust document is a major undertaking involving legal, actuarial, governance and policy considerations and this shall be done with due diligence. To provide guidance for the drafting process, the Parties agree that the following principles of joint trusteeship shall be incorporated into the trust document:

- Unions and employers shall have equal representation on the Board of the Trust. The Board shall have a total of ten members, five for the unions and five for the employers.

- Each of the four major unions in the sector will have one representative on the Board, with provision for a rotating seat on the union side; (i.e. 1 seat for CUPE, BCGEU, HEU and HSA and 1 seat which will rotate among these four unions).

- Each union will select its trustee(s) to the Board.

- The five employer representatives shall be appointed by CSSEA.

- The trust will have a chair and co-chair, one selected from the employers and one from the unions. The chair and co-chair shall rotate.

- Every trustee will have an alternate. Alternates will be able to attend all meetings, but with no vote, unless the alternate is substituting for the trustee.

- The trust will include provisions for a dispute resolution mechanism in case of a deadlock (tied vote), including the name of an arbitrator to be chosen by mutual agreement of the employer and union sides. If the parties cannot agree on a neutral third party, then the government will appoint the neutral.

- The trust document shall include accountability mechanisms, requiring trustees to consult with their sponsoring organizations.

- The terms and conditions of the trust document may only be changed by agreement of

the sponsoring organizations, not the trustees. (For example, the Board of Trustees would not be able to unilaterally change the numbers of trustees on the Board.)

- The trust will include appropriate measures, including liability insurance, to indemnify the plan's trustees;

- The trust will contain provisions which will enable trustees to establish socially responsible guidelines governing the provision of benefits and the investment of funds consistent with their fiduciary obligations to beneficiaries;

- The trust agreement will be governed by and constructed in accordance with BC law and applicable Canadian law and will be treated in all respects as a BC Contract. Appropriate measures will be included to protect plan beneficiaries, including those with long-term claims, such as LTD recipients.

- The Parties agree that the trust shall be self-financing. It shall operate in a manner which is fiscally prudent and ensure that the benefits provided to participating employers/employees are commensurate with the contributions being made. The Province shall not be responsible for any liabilities incurred by the trust.

- The trust document will set out the process of determining contributions to the trust, and the method in which the pooling of funds and sharing of savings by participating employers/employees will occur.

On completion of the final trust document, it shall be attached to, and form part of this Accord as an Appendix.

VII. Transition Measures

The Parties recognize that a number of transitional issues will need to be addressed to implement the Accord. These include: converting the existing CSSEA trust to a joint trusteeship model, maintaining the current relationship with the Health Benefits Trust (HBT), funding the initial (start up) costs required to enable the trust to service an expanded number of employers/employees, phasing in of new employers/employees and related enrolment arrangements, consideration of other interests (e.g. non signatory employers and unions) and other issues associated with establishing the trust.

a) Conversion of the Existing CSSEA Trust to a Joint Trusteeship Model

As part of its commitment to this process, CSSEA shall agree to take the legal and administrative changes required to restructure governance of the CSSEA trust to establish joint trusteeship.

b) Maintaining the Relationship with the Health Benefits Trust (HBT)

The Parties to this Accord acknowledge the advantages which currently accrue from the relationship between the CSSEA's trust and the HBT. The HBT currently handles the administration, purchasing, claims management and other elements of the delivery of benefits, enabling CSSEA to take advantage of its size and expertise. Accordingly, the Parties shall ask the new trust to take over the current arrangement between CSSEA and the HBT. HBT shall be approached for its consent to this arrangement.

Once the trust is fully operational, the board may choose to review the relationship with HBT to determine whether a greater degree of direct control over benefits administration would be in the interests of plan members. However, until such time, the Parties are committed to maintaining the current arrangement with the HBT.

c) Transitional Financing Arrangements

While the trust will be self-financing over time, start up funding will be required, since neither CSSEA nor the HBT currently has the capacity to enrol a large number of additional employers/employees. This will be used for preparing legal documents, hiring administrative staff, establishing an office, providing costing and other services to employers joining the trust. It will also be used to fund the initial work of new trustees.

Accordingly, Government Accord Negotiators shall recommend that the trust be provided with an accountable advance to cover these start up costs. This advance shall be repaid from the surpluses resulting from the operation of the trust. The terms and conditions of this advance shall be the subject of a separate agreement which will be negotiated between representatives of Government, PSEC, CSSEA and the unions.

d) Consideration of Interests Not Party to this Accord

The Parties to this Accord are committed to maintaining full services to employers, both organised and unorganised who are currently members of the CSSEA trust. The new trust shall be requested to ensure that there is an orderly phase-in of new employers joining it so that service levels to existing members will not be adversely affected.

In the spirit of co-operation, the CSSJBT Trustees will develop a mechanism for consultation with the non -signatory employers and unions participating in the CSSJBT.

To achieve the maximum savings, it is necessary to expand enrolment in the trust. The larger the pool of employees covered, the greater the potential to eliminate duplication, reduce administrative overheads, negotiate better terms from carriers and generate savings and surpluses. Accordingly, CSSEA shall encourage its member employers who are not organised to use the trust by providing information and educational material. Similarly, unions Party to this Accord shall encourage other unions to use the trust.

Recommended on behalf of the Canadian Union of Public Employees

Bill Harper, National Representative — Date: May 28/99

Recommended on behalf of the BC Government and Service Employees Union

Cliff Andstein, Provincial Negotiator — Date: 5/29/99

Recommended on behalf of the Hospital Employees Union

Juli Rees, Negotiator — Date: May 28, 99

Recommended on behalf of the Health Sciences Association

Julio Trujillo, Negotiator — Date: May 29/99

Recommended on Behalf of CSSEA

John Neilson, Executive Director — Date

Recommended on behalf of the Government of BC

Tony Pemkett, Chief Public Sector Accord Negotiator — Date: May 28, 1999

Public Sector Accord to Establish a Senior Advisory Committee to the Ministry of Children and Families

I. Preamble:

Whereas the Government has initiated major changes to the delivery of contracted services by the Ministry of Children and Families in order to improve client services; and,

whereas many of these changes require an integrated, coordinated and consistent approach to implementation to ensure that clients receive the benefits intended; and,

whereas workers in the sector play a key role in ensuring that the delivery of services is carried out in a manner that achieves the goals of the Ministry; and,

whereas there is an ongoing need to address training and career development of workers in the sector to ensure that they have the skills to meet client needs; and,

whereas there is currently no institutional arrangement through which senior staff in the Ministry and representatives of the workers in the sector sit down together to discuss policy issues affecting clients and the workers providing services to them;

therefore, the Government of British Columbia, the Ministry of Children and Family Services and the Unions representing workers in the sector have drafted this Public Sector Accord to provide a mechanism for improving consultation and co-operation about issues affecting all parties.

II. Parties to the Accord

The Parties to the Accord (Parties) are the unions who are signatories to this Accord (Canadian Union of Public Employees, the British Columbia Government and Service Employees' Union, the Hospital Employees' Union and the Health Sciences Association), the Government of British Columbia (Government) [Unions] and the Ministry of Children and Families (Ministry).

The Parties acknowledge that there are a number of other organizations that advocate on behalf of - or represent the interests of - various groups of clients within the sector and shall ensure that the deliberations undertaken as part of this Accord are sensitive to the concerns of these organizations, as well as the interests of employees represented by other non-signatory unions.

III. Purpose of the Accord

1. Establish an ongoing consultative process through which issues of concern to the Ministry, its clients and the workers in the sector can be discussed and resolved.

2. Provide a vehicle through which Unions in the sector can raise issues and have a voice in policy development and the implementation of policy with respect to contracted social services in the sector.

3. Explore ways to promote the training and career development of workers in the sector. This may involve following up on recommendations of the Multilateral Task Force on Education and Training formerly chaired by Mr. Terry Piper. It may also involve co-operating with other Ministries responsible for the funding and provision of training to employees in the sector (e.g. MAETT).

4. Identify ways in which services can be provided more efficiently and more effectively to the benefit of clients, including assessment of: service delivery models, contract tendering procedures, contract restructuring, standards of care and security of clients.

5. Explore ways to improve the overall labour relations climate in the sector and, specifically, relations between the Ministry and the Unions.

IV. Establishment of the Policy Advisory Committee to the Deputy Minister

1. Mandate of the Committee

The Committee shall be mandated to address the issues set out under Section III (Objectives) of this Accord.

2. Membership of the Committee

The Committee shall be composed of 2 representatives of each of the signatory unions (Canadian Union of Public Employees, the British Columbia Government and Service Employees' Union, the Hospital Employees' Union and the Health Sciences Association) and an equal number of participants selected by the Ministry of Children and Families.

The Committee shall be empowered to invite representatives of other Ministries (and specifically, Attorney General and Women's Equality), client groups, policy researchers and other individuals and organizations to contribute their expertise to its work. Committee representatives shall also have the option of bringing technical advisors, support staff and members with knowledge of the issues being discussed.

The Committee shall be co-chaired by a person designated by the Unions and by the Deputy Minister of the Ministry of Children and Families.

The Committee shall meet at the call of the co-chairs. A minimum of four meetings per year shall be held.

The Ministry shall provide assistance to the Committee in the form of background research, staff briefings and other resources needed for the Committee to carry out its work. A budget of up to $20,000 dollars, annually, shall be provided by the Ministry of Children and Families to cover lost wages, travel and related expenses of lay union members carrying out Committee functions. (It is understood that the wages and expenses of full time union staff and Ministry officials shall not come out of this budget.)

V. Implementation

The Committee shall be convened for its first meeting within 30 days of the ratification of the collective agreements negotiated at the central bargaining table.

Recommended on behalf of the Canadian Union of Public Employees

Bill Harper, National Representative — Date: May 25/99

Recommended on behalf of the BC Government and Service Employees Union

Cliff Andstein, Provincial Negotiator — Date: 5/29/99

Recommended on behalf of the Hospital Employees Union

Juli Rees, Negotiator — Date: May 28, 99

Recommended on behalf of the Health Sciences Association

Julie Trujillo, Negotiator — Date: May 29/99

Recommended on behalf of the Ministry of Children and Families

Mike Corbeil, Deputy Minister — Date

Recommended on behalf of the Government of BC

Tony Penikett, Chief Public Sector Accord Negotiator — Date: Nov 28, 1997